

Ref.: BIL/SE/2022-23/31

Date: 1st September, 2022

The Vice-President, Listing Department, National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. - C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400051 Fax - 022-26598237/38	The General Manager, Listing Department, BSE Limited, Floor -25, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai- 400001 Fax - 022-22722037/39/41/61
NSE Symbol: BIL/EQ	Scrip Code: 526666

**BHARTIYA INTERNATIONAL
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New Delhi Capital Region
India
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CIN L74899TN1987PLC111744

www.bhartiya.com

**SUB.: SUBMISSION OF ANNUAL REPORT OF THE COMPANY FOR THE FINANCIAL YEAR 2021-22
ALONG WITH THE NOTICE OF 35TH ANNUAL GENERAL MEETING ("AGM")**

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, please find enclosed herewith the Annual Report for the Financial Year 2021-22 along with the Notice of the 35th Annual General Meeting ("AGM") of the Company scheduled to be held on Thursday, 29th September, 2022 at 11.00 A.M. (IST) through Video Conferencing (VC)/Other Audio-Visual Means (OAVM).

The said Notice along with the Annual Report for the financial year 2021-22 has been sent electronically to the members whose e-mail addresses are registered with the Registrar and Share Transfer Agent ("RTA") of the Company i.e., MAS Services Limited, the Company and the Depositories viz. the National Securities Depository Limited and Central Depository Services (India) Limited.

The Notice convening the AGM along with the Annual Report has also been uploaded on the Company's website at www.bhartiya.com.

This is for your information and record.

Thanking you,

Yours Sincerely,

For Bhartiya International Limited**Yogesh Kumar Gauram
(Company Secretary cum Compliance Officer)**

Encl.: a/a

REPORT

ANNUAL

2021-2022

Design-led.

Innovative.

Sustainable.

Reliable.

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FROM THE CHAIRMAN



Dear Shareholders,

I am very pleased to be writing to you to report on our positive results in fiscal 2021-2022. Despite significant global challenges, it was another successful year with continued progress against our strategic growth priorities – an intense focus on cost, margin and efficiencies improvement, expansion of our Chennai based handbag and accessories group, and accelerated growth of our virtual manufacturing business.

Focused efforts and investments in these key growth drivers coupled with continued success and expansion of our Bangalore outerwear business has helped fuel a strong financial rebound and has built momentum for future financial success. The diversity and strength of our global customer portfolio provides a solid and stable platform as we prepare for continued business development.

I feel a strong sense of pride and optimism as we enter fiscal 2022-2023. Our strategic choices have prepared us well to capitalize on global macro and micro sourcing opportunities. I am confident Bhartiya International will continue to prosper and to produce improved financial results.

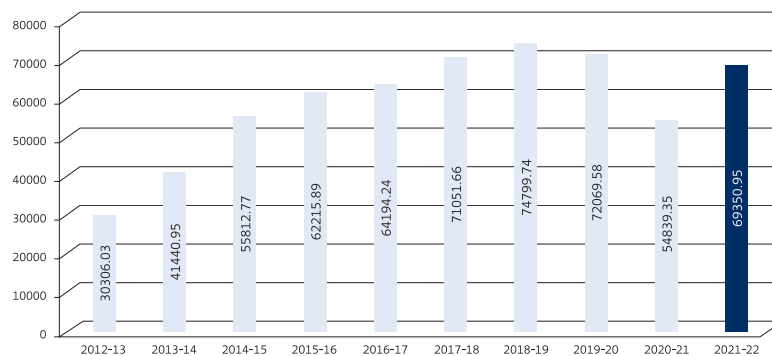
Sustained and profitable growth continues to be our primary goal, and the senior leadership team remains focused on executing the initiatives and activities that will allow us to succeed.

Our success this year reflects the hard work and efforts of our remarkable and dedicated global Bhartiya team. On behalf of all of our associates, I thank our shareholders for your continued support.

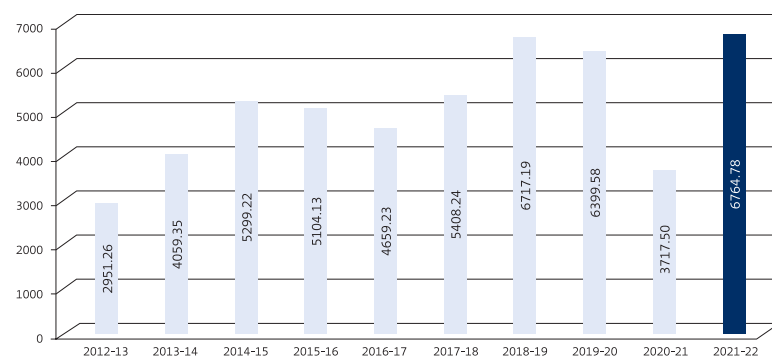
Sincerely,
Snehdeep Aggarwal
Chairman

PERFORMANCE HIGHLIGHTS

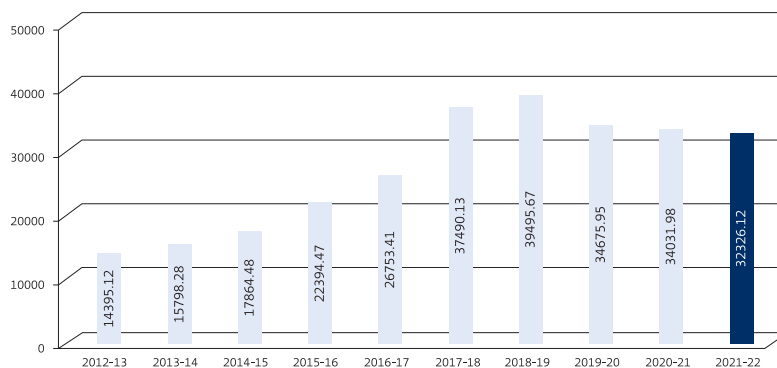
Turnover (Rs. in Lakhs)



EBITDA (Rs. in Lakhs)



Net Worth (Rs. in Lakhs)



BOARD OF DIRECTORS

DIRECTORS & KMP

SNEHDEEP AGGARWAL

Chairman

MANOJ KHATTAR

Whole Time Director

RAMESH BHATIA

Director

NIKHIL AGGARWAL

Director

ROBERT BURTON MOORE JR.

Director

SHASHANK

Independent Director

A. SAHASRANAMAN

Independent Director

C. L. HANDA

Independent Director

SANDEEP SETH

Independent Director

SANNOVANDA MACHAIAH SWATHI

Independent Director

NAVKIRAN SINGH GHEI

Independent Director (w.e.f. 11/08/2022)

VIVEK KAPUR

Independent Director (w.e.f. 11/08/2022)

DEEPAK BHOJWANI

Independent Director (w.e.f. 11/08/2022)

RAJ KUMAR CHAWLA

Chief Financial Officer

YOGESH KUMAR GAUTAM

Company Secretary

AUDITORS

KASG & Co., Gurugram

BANKERS

State Bank of India

Union Bank of India

IDBI Bank

HDFC Bank

Indusind Bank

Kotak Mahindra Bank

Axis Bank

SBM Bank (India) Ltd.

DELHI

Bhartiya International Limited
E-52, New Manglपुरi,
Mandi Road (Mehrauli),
New Delhi – 110 030
(India)

GURUGRAM

Bhartiya International Limited
Plot No. 38, Sector – 44,
Gurugram – 122 003, Haryana
(India)

BENGALURU

Bhartiya International Limited
27/2, Gottigere, Bannerghatta
Road, Bengaluru – 560 083
(India)

CHENNAI

Bhartiya International Limited
56/7, Nallambakkam Village,
Via-Vandalur,
Chennai – 600 127 (India)

TADA

Bhartiya International Limited
APIIC Industrial Park,
Konduru Village, Tada Mandal,
SPSR Nellore Distt.,
Andhra Pradesh – 524 401
India

ITALY

Ultima Italia SRL
Via Vincenzo Monti, 21,
20123 Milano (MI),
Italy

HONGKONG

World Fashion Trade Limited
Unit 609, 6/F, Hong Kong
Plaza, 188, Connaught
Road West, Hong Kong

Design Industry Limited

Room 1104, Crawford House,
70 Queen's Road, Central,
Hong Kong

SWITZERLAND

Ultima SA
Rue Des Draizes 7
CH-2000, Neuchatel,
Switzerland

CHINA

Design Industry China Limited
Room 1603,
Lianyin Building, No 887,
Jiangcheng Road, Hangzhou,
China - Pin Code: 310 002

BANGLADESH

H-32, F-A3,
East Raja Bajar,
Firmgate, Dhaka - 1215

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY UPDATE

For most of 2020 and part of 2021, the world went through Covid-19 related restrictions. This created immense operational and financial challenges for the global fashion industry. However, after close to 1.5 years of disruption, the fashion retail industry started showing signs of recovery. There were positive signs by mid-2021 that things were taking a turn for the better, particularly in markets where vaccination rates were higher. Across major economies such as the USA, UK and Europe, the release of latent- pent up demand led to growth across categories.

The way consumers shop was significantly influenced by the intense digital experience during the pandemic. Today's post-pandemic shoppers demand more from their in-store shopping experience. To meet their needs, brands and retailers are leveraging a range of technologies and services to deliver engaging experiences that remove friction from the buying experience.

Many leading fashion brands are surpassing their pre-pandemic sales performance. In the year ahead, luxury fashion is expected to continue to outperform, as recovery continues to happen. Overall, global fashion sales are on track to pick up momentum in 2022, as increasingly hopeful consumers unleash latent purchasing power, refreshing their wardrobes as social life begins to resume in many key markets around the world such as the USA, Europe and the UK. This is positive for Bhartiya as these are company's key operating markets.

ABOUT THE COMPANY

Bhartiya's institutional journey began in the year 1987 with a focus on design led manufacturing. Over the last three decades, it has diversified into a global company with presence across six countries and a partner of choice for over 100 retailers/brands across the world. As a vertically integrated company with capabilities across material sourcing, design development, manufacturing, and quality assurance, it is leading the way as a full-service supply chain platform for partner brands with a commitment to sustainability. The fully integrated business model helps us with a unified view of all the core components of delivery to clients and keeps us agile and helps in quick decision making.

Design plays a key role in whatever we do. Our state-of-the-art in-house R&D department is led by our design professionals based out of Milan, Italy and Gurgaon, Bangalore and Chennai. We continue to think like a design driven boutique business but with an Industrial model of delivery which has resulted in higher margins along with a scalable business model. Our continued focus on working with over 100 leading global brands has helped in de-risking our business model and provides stability to our business.

Bhartiya operates across four business divisions, such as Leather Outerwear, Textile Outerwear, Accessories and Virtual Manufacturing. These divisions are strengthened by an in-house Tannery Unit with a capability to source raw materials from across the world. All four divisions are well-established now and has the potential to deliver sustained growth for the years to come. The company operates a strong network of ten manufacturing units, six design and prototyping facilities, nine business development offices, and six showrooms and driven by direct and indirect employment of over 20000 people worldwide.

KEY BUSINESS DIVISIONS

LEATHER GARMENTS DIVISION

The leather garments division offers complete range of Men and Women outerwear apparel.

We are amongst the largest manufacturer of leather garments globally. In an Industry filled with large number of smaller players, Bhartiya was able to build scale and continues to grow in this division with steady state profitability.

Having consolidated the business model, the division has reached a stage to benefit from operating leverage: additional sales translate to the bottom-line with low incremental costs. Our focus in this segment is to grow the top line through long term partnership with a concentrated list of high value customers along with a diversified client base, de-risking the business. In addition to our in-house expertise of onboarding new customers, the company has ramped up its marketing network by engaging agents in key geographies to grow the business. These agents work on a variable inventive model linked to sales which makes it a cost-effective growth model with no fixed cost investment by the company.

Our design professionals based out of Milan, Gurgaon and Bangalore play a key role through constant product innovation led by latest trends in fashion. Company's strong expertise across the value chain (designing, sourcing, manufacturing) and deployment of highly skilled resources and streamlined processes has resulted in higher capacity utilization and have translated into a predictable business model with higher profitability.



ACCESSORIES DIVISION

The accessories division produces leather and non-leather bags, accessories including belts for reputed international brands. Bhartiya has been manufacturing leather accessories for the global market since the last decade, starting with a factory for bags and accessories in Chennai. Bhartiya factory has currently an annual production capacity of over a million bags, belts, wallets, and other small leather goods which is being scaled up further through expansion of our manufacturing facilities. The company has built tangible long-term relationships with leading brands in the luxury accessory space. To support these collaborations, company is expanding capacity through a greenfield facility in Andhra Pradesh. This initiative is a testament to Bhartiya's industrial strength manufacturing platform consists of latest state of the art technology enabled process and highly skilled resources. Our focus would be to grow this division through such long-term partnership model with multiple global luxury accessories brands/retailers. Additionally, our in-house design studio based out of Milan and Chennai crafts the latest trend setting products for many luxury brands in the European and North American market.

TEXTILE OUTERWEAR DIVISION

The Textile Outerwear division offers one of the best quality products to reputed retailers/brands. With a well-equipped sampling and product development infrastructure and sourcing teams, the division specialises in a variety of styles for Men's and Women's categories of Outerwear. The division has seen rapid expansion over the last few years. This has become possible by our cross-sell strategy to offer multiple product lines to our existing global client base. We are currently focusing high value products as a sustained lever for growth. The company has further strengthened the production teams by leveraging strong talent pool from the manufacturing industry. We expect this initiative to deliver sustained profitability while growing its business volume over the next several years.

VIRTUAL MANUFACTURING DIVISION

While Bhartiya continues to focus on building manufacturing capabilities for its clients; company has leveraged a unique untapped opportunity in the virtual manufacturing space. India especially post Covid continues to be one of the key sourcing locations for serving customers and retailers across the Global apparel and fashion industry. In our efforts to grow our Virtual Manufacturing Division, we have invested in strengthening our marketing and creative design teams with a focus to expand our partnerships within UK, Europe and the US. With the talks resuming between India and EU for a comprehensive free trade agreement & a Free Trade agreement with UK in sight, we expect a significant growth in product demands from India. We continue to build teams, marketing and collaborating with new customers, exploring new partnerships, increasing wallet share with existing retail partners (or customers), and also at the backend strengthening our vendor network not only within India but growing manufacturing partnerships in Bangladesh and China. With Technology playing a key role in our expansion, we have recently invested in a 3D design software and continue to explore and adopt to new technologies to augment our virtual manufacturing division.

Key features of the business division are:

- Asset-light model with minimal working capital exposure and no fixed asset investments
- Scalable business model as capacity enhancement can be done without owning Factories



LEATHER FINISHING DIVISION: LEADING THE SUSTAINABILITY INITIATIVE

The rapidly evolving fashion industry demands a conscious approach. Most leading luxury brands in the world have already embraced the Sustainability theme and have made significant progress on this front.

Being a responsible partner to over 100 global brands, our Tannery based in Chennai started moving towards ethical and sustainable production methods. Our tannery sources and produces leathers which are traceable, sustainable, organic, and biodegradable. Bhartiya has a mission to support its partner brands in their journey to remain relevant to their customers and the world by contributing to efficiently using resources and working towards a sustainable world.

The sustainable leather initiative at Bhartiya is about the entire lifecycle of leather with an objective of improving current processes by reduction of energy, water, chemicals and finding efficient ways of using by-products.



OUR COMPANY

HUMAN RESOURCE

At Bhartiya, our objective is to align the talent pool with our core business values and brand philosophy while imparting technical skills and promote solution-oriented mindset which are business growth enablers. We have committed to provide them the platform to experiment and embrace new opportunities in order to serve the customers of tomorrow. Bhartiya's people assets is the strong foundation for creating many possibilities for its business. Our approach towards attracting and nurturing finest quality of talent is a combination of empowerment and accountability that provides people lifelong development opportunities and make them change leaders. Talent sourced across India gets the opportunity to be positioned in high impact roles at Bhartiya and deploy functional mastery to deliver innovative solutions while contributing to our operational excellence and overall business strategy. During the year under review, the efficient operations of manufacturing units, market development and expansion for various products was the highlight of our people effort. Continuous people development for developing knowledge and skills coupled with sound people practices will deliver the talent needs of the organization.

We strive to build a deep talent bench of high-quality leaders through a culture of continuous learning, innovation, and collaboration by providing leading-edge learning and development support to our managers.

INTERNAL CONTROL

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that the transactions are authorised, recorded and reported correctly. Such internal controls are supplemented by an extensive programme of internal audits, review by management and documented policies, guidelines and procedures. These are designed to ensure that financial and other records are reliable for preparing financial information and other reports and for maintaining regular accountability of the Company's assets. The internal auditors present their report to the Audit Committee of the Board.



FINANCIAL PERFORMANCE

On standalone basis, during the year under review, the Company achieved a turnover of Rs. 53085.40 Lakhs. The Net Profit after taxes was reported at Rs. 1194.90 Lakhs as compared to Rs. 157.87 Lakhs in the previous year.

On consolidated basis, during the year under review, the Company achieved a turnover of Rs. 69350.95 Lakhs. The Net Profit/(loss) after taxes minority interest and share of profit/(loss) of associates was reported at Rs. (1656.39) Lakhs as against Rs. (617.67) Lakhs in the previous year.

SIGNIFICANT CHANGES IN FINANCIAL RATIOS

In accordance with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, a Company is required to give details of significant changes (change of 25% or more as compared to the immediate previous financial year) in its financial ratios.

Accordingly, on Standalone basis, Inventory Turnover ratio increased to 0.71 for FY 2021-22 compared to 0.52 in FY 2020-21 (an increase of 36.64%).

On consolidated basis, under the year review there is no ratio which results in change of 25% or more as compared to the immediate previous financial year.

RISK MANAGEMENT

The Company has made process 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, BENGALURU, INDIA

Located in Bangalore, India, Bhartiya City is an urban smart & intelligent city built around a vibrant city center where 200,000 people will live, work or pass through every single day. The township is the single largest urban development of its kind within the corporation limits of any metropolitan city in the country.

The company's flagship residential brand 'Nikoo Home' is India's first branded residential project with a focus on Family, Community, Culture, Health, and Learning. The focus is to build communities and give families a chance to live a better life. Nikoo 1 & 2 is now home to over 4500 Happy Nikoo families. Nikoo 4 was launched in 2021 and has become one of the fastest-selling projects in Bangalore.





The company has developed & launched a 5-star luxury hotel “The Leela Bhartiya City” under the 'Leela' brand which houses one of the largest convention centers in the city of Bengaluru. The Hotel has already established itself as one of the best Luxury destinations in the city. Bhartiya City also features luxury private residences located in the city center overlooking lush green Central Park. Defined by a sophisticated sense of style and luxurious finishes, these residences come embellished with the legendary Leela service.

Additionally, Bhartiya City Centre features the Bhartiya Mall of Bengaluru, the High Street, Ramblas- and the Center for Performing Arts. The mall was launched in 2021 and has become one of the top retail destinations in Bangalore. The City Centre provides an experience where art, culture, shopping, retail, and entertainment will bring thousands of people together from in and around Bangalore city.

BOARD'S REPORT

Your Director's are pleased to present the Thirty Fifth Annual Report on the business and operations of the Company together with Audited Financial Statements for the financial year ended 31st March, 2022 ("year under review").

FINANCIAL RESULTS

The consolidated and standalone financial results of the Company for the financial year ended 31st March, 2022 are as follows:

(Rs. in Lakhs)

Particulars	Consolidated		Standalone	
	2021-22	2020-21	2021-22	2020-21
Net Sales/ Income from Operations	69350.95	54839.35	53085.40	39677.23
Other Income	3217.40	495.10	463.56	427.60
Total Income	72568.35	55334.45	53548.96	40104.83
Profit before Interest, Tax & Depreciation	6764.78	3717.50	4796.40	3391.63
Finance Cost	2327.52	2385.98	2272.86	2318.12
Profit before Tax & Depreciation	4437.26	1331.52	2523.54	1073.51
Depreciation	2380.63	1033.49	834.80	835.69
Profit Before Tax	2056.63	298.03	1688.74	237.82
Tax Expenses	546.00	28.37	493.84	79.95
Net Profit after Tax	1510.63	269.66	1194.90	157.87
Share of Net Profit/(Loss) of Associates	(3167.02)	(887.33)	-	-
Net Profit/Loss	(1656.39)	(617.67)	1194.90	157.87
Other Comprehensive Income	25.26	25.76	22.08	25.25
Total Comprehensive Income for the Year	(1631.13)	(591.91)	1216.98	183.12
Paid up Equity Share Capital	1220.71	1220.24	1220.71	1220.24
Reserve (Excl. Revaluation Reserve)	31105.41	32811.76	29138.92	27920.40
Earning per Share (Basic) Rs.	(13.34)	(4.83)	9.79	1.29
Earning per Share (Diluted) Rs.	(13.31)	(4.82)	9.77	1.29
Dividend	-	-	-	-

PERFORMANCE REVIEW

On standalone basis, during the year under review, the Company achieved a turnover of Rs. 53085.40 Lakhs. The Net Profit after taxes was reported at Rs. 1194.90 Lakhs as compared to Rs. 157.87 Lakhs in the previous year.

On consolidated basis, during the year under review, the Company achieved a turnover of Rs. 69350.95 Lakhs. The Net Profit/(loss) after taxes minority interest and share of profit/(loss) of associates was reported at Rs. (1656.39) Lakhs as against Rs. (617.67) Lakhs in the previous year.

SHARE CAPITAL

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

Dates	Description	No. of shares	Total value of shares (₹)
01/04/2021	Share Capital at the beginning of the year	12202369	122023690
Addition			
22/04/2021	Equity Shares allotted pursuant to ESOP Scheme	4760	47600
31/03/2022	Share Capital at the end of the year	12207129	122071290

As on 31st March, 2022, Mr. Manoj Khattar, Whole-Time Director of the Company hold instruments convertible into equity shares of the Company.

DIVIDEND

In order to conserve the resources of the Company by taking into account the prevailing economic situation and the need of resources for growth, the Board of Directors of the Company thought it was prudent not to recommend any dividend on the Equity Shares of the Company for the Financial Year ended 31st March, 2022.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement for adopting the Policy is not applicable to the Company during the FY 2021-22.

DETAILS AND PERFORMANCE OF SUBSIDIARY COMPANIES

Domestic Subsidiaries

Bhartiya Global Marketing Limited

It is a Global Marketing Company engaged in export of textile and leather garments. The net loss was reported at Rs. 0.57 lakhs during the financial year 2021-22.

J&J Leather Enterprises Limited

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. 1677.40 lakhs and the net profit was Rs. 6.17 lakhs during the financial year 2021-22.

Bhartiya International SEZ Limited

The Company is incorporated to develop sector specific Special Economic Zone (SEZ) of Leather & Leather Products. It is a joint venture between Bhartiya International Limited and Andhra Pradesh Industrial Infrastructure Corporation. The total revenues of the Company was Rs. 49.30 lakhs and the net loss was Rs. 28.34 lakhs during the financial year 2021-22.

Bhartiya Fashion Retail Limited

The Company had registered a profit of Rs. 1.39 lakhs for the financial year 2021-22.

Bhartiya Urban Infrastructure Limited

The Company had registered a profit of Rs. 0.17 lakhs for the financial year 2021-22.

Overseas Subsidiaries

Ultima S.A. Switzerland

The Company is engaged in marketing and selling of outwears including leather garments, accessories and textile products in Europe. The total revenues of the Company was CHF 97,39,100.00 and the net loss was CHF 9,19,044.90 during the financial year 2021-22.

World Fashion Trade Limited, Mauritius

The Company registered other income of HK\$ 5,482 and net profit of HK\$ 157,563 for the period ended 31st March 2022.

Ultima Italia SRL, Italy

This company markets all fashion products including fur and leather garments in Italian market. The total revenues of the Company were Euro 22,39,443 and the net profit was Euro 86,755 during the financial year 2021-22.

Design Industry Limited, Hongkong

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 revenues of the Company were HK\$ 89,379,603 and the net profit was HK\$ 10,132,389.

Design Industry China Limited, China

Design Industry China Limited is a wholly owned subsidiary of Ultima S.A. This company is engaged in marketing and selling of outerwear (including leather, PU Garments, fashion accessories) from China for marketing and selling in China. The total revenue of the Company was RMB Yuan 3746606.50 and the net profit was RMB Yuan 363464.77 during the financial year.

New Subsidiary /Associate Company Incorporated / Dissolved during the year

No new Subsidiary or Associate Company were incorporated acquired during the year under review. Also, no subsidiary/ or Associate Company was dissolved during the year. Though as associate of the Co. named Bhartiya Urban Pvt. Ltd., has signed a Definitive Agreement for finalizing a transaction to transfer the entire shareholding of its Wholly Owned Subsidiaries namely Milestone Buildcon Pvt. Ltd and MileCon IT Park 3B Pvt. Ltd., to Reco Bangalore Pvt. Ltd, Singapore.

FINANCIAL STATEMENTS

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on 31st March, 2022 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31st March, 2022.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company are prepared in accordance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given in Form AOC-1 and forms an integral part of this Report.

EMPLOYEES STOCK OPTION PLAN

During the year under review, the Company has allotted 4760 equity shares of Rs. 10/- each on exercise of vested options by certain employees of the Company and its subsidiaries.

The Nomination and Remuneration 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') read with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time.

The Company has received a certificate from the Secretarial 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.

Statement Pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 as at 31st March, 2022, are set out in **Annexure A** to this Report.

DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Nikhil Aggarwal (DIN: 01891082), is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The Board of Directors recommends his re-appointment and the matter is being placed for the approval of members at the ensuing Annual General Meeting of the Company.

Change in Directorate

i. Appointment of Non-Executive Directors

The Board of Directors at their meeting held on 11th August, 2022 based on recommendations of the Nomination and Remuneration Committee, inter alia, approved the following changes to the Board of Directors of the Company, subject to approval of shareholders of the Company:

- (a) Appointment of Mr. Navkiran Singh Ghei (DIN: 09649188) as an Additional Director in Independent Category of the Company for a period of 5 (five) consecutive years from 11th August, 2022.

Mr. Ghei highly decorated Army Officer having wide ranging leadership, management and organisational experience spanning 40 years of an extremely successful and distinguished career. Experience of working in a Global environment, has represented the country and the Defence Services internationally on several occasions.

- (b) Appointment of Mr. Vivek Kapur (DIN: 09678378) as an Additional Director in Independent Category of the Company for a period of 5 (five) consecutive years from 11th August, 2022.

Mr. Kapur is a fellow member of the Institute of Chartered Accountants of India (ICAI). He has 35 years of rich experience in field of Auditing, Accounting, tax management. He is also having diverse experience dealing in matters of corporate finance, accounting systems and processes, capital budgeting, budget forecasting, manage financial systems, undertake financial audits, provide financial advice and management consultancy.

- (c) Appointment of Mr. Deepak Bhojwani (DIN: 07351577) as an Additional Director in Independent Category of the Company for a period of 5 (five) consecutive years from 11th August, 2022.

Mr. Deepak Bhojwani is I.F.S, L.L.B. and Graduate in Commerce. He is a retired Indian Diplomat, joined the Indian Foreign Service in 1978. He has served as ambassador in seven Latin American countries, being resident ambassador in Colombia (2007-2010), Venezuela (2003-2006) and Cuba (2010-2013). Mr. Bhojwani has served as Independent Director on the Board of Bharat Petroleum Corporation Ltd. (BPCL). Currently he is serving on the Board of Directors of one Company named Magotteaux Industries Private Limited.

ii. Retirement/completion of tenure of Independent Directors

Mr. Shashank (DIN: 01569514), Mr. Ananthakrishna Sahasranaman (DIN: 01983690), Mr. Charanjit Lal Handa (DIN: 00928283), and Mr. Sandeep Seth (DIN: 01408624) are completing their two tenures as an Independent Directors of the Company at the ensuing Annual General Meeting of the Company.

All abovesaid Directors joined the Board as an Independent Director in the year 2014 and since then the Company has immensely benefitted from their guidance in the areas of operations, governance, risk management and technology etc. The Board places on record appreciation for their consistent dedication and commitment during their entire tenure.

KEY MANAGERIAL PERSONNEL

Following are the Key Managerial Personnel of the Company during the year under review.

Sl. No.	Name of the person	Designation
1	Mr. Manoj Khattar	Whole-Time Director
2	Mr. Raj Kumar Chawla	Chief Financial Officer
3	Mr. Yogesh Kumar Gautam	Company Secretary

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:

- that in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 31st March, 2022 and of the profit of the company for the year ended on that date;
- 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;
- that the annual accounts have been prepared on a going concern basis; and
- 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
- 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.

NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2021-22, five Board Meetings of the Company were held. The details of the Meetings of the Board held during the Financial Year 2021-22 forms part of the Corporate Governance Report.

NOMINATION, REMUNERATION AND BOARD DIVERSITY 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. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-Executive Directors. This policy also lays down the criteria for selection and appointment of Board members. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Directors and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates.

BOARD EVALUATION

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its committees on the evaluation criteria defined by Nomination and Remuneration Committee for performance evaluation process of the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter-alia the structure of the Board, meeting of the Board, functions of the Board, degree of fulfilment of key responsibilities, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

The Committees of the Board were assessed on the degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of Meetings. The Directors were evaluated on aspects such as attendance, contribution at Board / Committee Meetings and guidance / support to the Management outside Board / Committee Meetings.

The performance assessment of Non-Independent Directors and the Whole Time Director, Board as a whole and the Chairman were evaluated in separate meetings of Independent Directors held on 21st March, 2022 without the presence of Non-Independent Directors and members of the management. The same was also discussed in the meetings of Nomination and Remuneration Committee and the Board. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The Board of Directors expressed their satisfaction with the evaluation process.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

All Independent Directors are familiarised with the operations and functioning of the Company at the time of their appointment and on an ongoing basis. The details of the training and familiarisation program are provided in the Corporate Governance Report and is also available on the website of the Company at <https://www.bhartiyafashion.com/download/FAMILIARISATION-PROGRAMME-FOR-INDEPENDENT-DIRECTORS-2021-2022.pdf>.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended is provided in a separate section and forms an integral part of this Report.

STATUTORY AUDIT

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the term of M/s. K A S G & Co., Chartered Accountants (Firm Registration No. 002228C), Gurugram as the Statutory Auditors of the Company, expires at the conclusion of the ensuing Annual General Meeting of the Company.

The Board of Directors of the Company at their meeting held on 11th August 2022, on the recommendation of the Audit Committee, have made its recommendation for appointment of M/s. Sushil Poddar & Co, Chartered Accountants (Firm Registration No.014969N), as the Statutory Auditors of the Company at the 35th Annual General Meeting of the Company for an initial term of 5 consecutive years.

Accordingly, a resolution, proposing appointment of M/s. Sushil Poddar & Co, Chartered Accountants, as the Statutory Auditors of the Company for a term of five consecutive years i.e. from the conclusion of 35th Annual General Meeting till the conclusion of 40th Annual General Meeting of the Company, pursuant to Section 139 of the Companies Act, 2013, forms part of the Notice of the 35th Annual General Meeting of the Company.

The Company has received their written consent and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

The Report given by M/s. K A S G & Co., Chartered Accountants Statutory Auditors on the financial statements of the Company for the financial year 2021-22 forms part of the annual report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act. M/s. K A S G & Co., Chartered Accountants, over many years have successfully met the challenge that the size and scale of the Company's operations pose for auditors and have maintained the highest level of governance, ethical standards, rigour and quality in their audit.

The Board places on record its appreciation for the services rendered by M/s. K A S G & Co., as the Statutory Auditors of the Company.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company had appointed Mr. Ravi Sharma., Practicing Company Secretary, FCS NO. 4468, C. P. NO. 3666 from M/s. RSM & Co. to undertake the Secretarial Audit of the Company for the year ended 31st March, 2022. The Secretarial Audit Report is annexed as **Annexure 'B'** and forms an integral part of this Report. There is no secretarial audit qualification for the year under review.

Pursuant to Regulation 24A of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019, the Annual Secretarial Compliance Report of the Company for the period ending 31st March, 2022, was submitted to the stock exchanges and is uploaded on the website of the Company i.e. www.bhartiya.com.

COMMITTEES

The Board of Directors has the following mandatory Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

The details of the composition of Committees, terms of reference and numbers of Meetings held during the Financial Year 2021-22 is provided in the Corporate Governance Report.

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 education and rural development projects. These projects are in accordance with Schedule VII of the Act and the Company's CSR policy.

The Report on CSR activities as required under the Companies (CSR Policy) Rules, 2014 along with the brief outline and contents of the CSR policy are annexed as **Annexure 'C'** and forms an integral part of this Report. The Policy has been uploaded on Company's website at www.bhartiya.com.

CORPORATE GOVERNANCE

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Statutory Auditors confirming compliance forms an integral part of this Report.

BUSINESS RESPONSIBILITY REPORTING

The Business Responsibility Reporting as required under Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges is not applicable to your Company for the financial year ending 31st March, 2022.

ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Companies (Management and Administration) Rules, 2014, the Annual Return for the Financial Year 2021-22, has been hosted on the Company's website www.bhartiya.com and weblink for the same is <https://bhartiyaofashion.com/download/ANNUAL-RETURN-2022.pdf>.

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. There were no material Related Party Transactions (RPTs) undertaken by the Company during the year that require shareholders' approval under Regulation 23 (4) of SEBI Regulations or Section 188 of the Act. All related party transactions are mentioned in the Notes to the Financial Statements.

All related party transactions are placed before the Audit Committee as also to the Board for approval.

Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature with Related Parties. 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 details of RPTs during financial year 2021-22, including transactions with person or entity belonging to promoter/promoter group which holds 10% or more shareholding in the company are provided in accompanying financial statements.

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.bhartiya.com. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration and sitting fees.

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.

RISK MANAGEMENT

The Company has adequate risk management process to identify and notify the board of directors about the risks or opportunities that could have an adverse impact on the Company's operations or 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 Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. 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.

VIGIL MECHANISM / 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.bhartiya.com).

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.

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at the workplace with a mechanism of lodging complaints. Besides, redressal is placed on the intranet for the benefit of employees. Further, the Company has complied with provision relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (14 of 2013). There was no instance reported for sexual harassment at workplace during the year under review.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that the transactions are authorised, recorded and reported correctly. Such internal controls are supplemented by an extensive programme of internal audits, review by management and documented policies, guidelines and procedures. These are designed to ensure that financial and other records are reliable for preparing financial information and other reports and for maintaining regular accountability of the Company's assets. The internal auditors present their report to the Audit Committee of the Board.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

IMPACT OF COVID-19

The Company has taken into account external and internal information for assessing possible impact of COVID-19 on various elements of its financial results, including recoverability of its assets.

CREDIT RATING

Rating Committee of ICRA has downgraded the long-term rating of [ICRA]BBB (pronounced ICRA triple B) assigned earlier to the captioned bank facilities of Rs 603.68 crore, to [ICRA]BBB (pronounced ICRA Triple B+(Negative), and has assigned a long-term rating of [ICRA]BBB (pronounced ICRA Triple B) to the additional bank facilities of Rs 50-crore. The outlook on the long-term rating has been revised from Negative to Stable.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report other than the impact of COVID-19 on the business operations and financial position of the Company detailed in this Report as well as Notes to the Financial Statements of the Company.

SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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

BSE Limited

National Stock Exchange of India Limited

The Annual Listing fee for the Financial Year 2022-23 has already been paid to both the above Stock Exchanges.

COMPLIANCE OF SECRETARIAL STANDARDS

During the financial year under review, the Company has complied all applicable Secretarial Standards specified by the Institute of Company Secretaries of India pursuant to Section 118 of the Companies Act, 2013.

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.

COST AUDIT AND MAINTANANCE OF COST RECORD

As per the Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to the Company for the financial year 2021-22.

Further, maintenance of cost record as specified by the Central Government, under sub-section-1 of Section 148 of the Companies Act, 2013 is not required.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provision of Section 134 (3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2022 on the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo is given in the **Annexure D** forming part of this report.

HUMAN RESOURCES

At Bhartiya, our objective is to align the talent pool with our core business values and brand philosophy while imparting technical skills and promote solution-oriented mindset which are business growth enablers. We have committed to provide them the platform to experiment and embrace new opportunities in-order to serve the customers of tomorrow. Bhartiya's people assets is the strong foundation for creating many possibilities for its business. Our approach towards attracting and nurturing finest quality of talent is a combination of empowerment and accountability that provides people lifelong development opportunities and make them change leaders. Talent sourced across India gets the opportunity to be positioned in high impact roles at Bhartiya and deploy functional mastery to deliver innovative solutions while contributing to our operational excellence and overall business strategy. During the year under review, the efficient operations of manufacturing units, market development and expansion for various products was the highlight of our people effort. Continuous people development for developing knowledge and skills coupled with sound people practices will deliver the talent needs of the organization.

We strive to build a deep talent bench of high-quality leaders through a culture of continuous learning, innovation, and collaboration by providing leading-edge learning and development support to our managers.

PARTICULARS OF EMPLOYEES

During the financial year 2021-22, the Company had 310 employees.

In terms of the provisions of Section 197(12) of the Companies Act, 2013, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this report.

Further, the disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during business hours on working days upto the date of ensuing Annual General Meeting. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The Annual Report including the aforesaid information is also available on the Company's website.

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.

DEMAT SUSPENSE ACCOUNT FOR UNCLAIMED SHARES

There are no unclaimed shares of the Company.

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.

AWARDS AND ACCOLADES

Your Company continues to win awards year-after year, reiterating its credible market position. Some awards received during the previous three Financial Years by the Company are as given below:

- (a) First Place Export Award from Council For Leather Export – Northern Region (Category above Rs.200 Crores – Leather Garments) year – 2020-2021.
- (b) First Place Export Award from Council For Leather Export – Northern Region (Category above Rs.300 Crores – Leather Garments) year – 2019-2020
- (c) First Place Export Award from Council for Leather Export (Category above Rs.300 Crores – Leather Garments) for the financial year – 2018-19
- (d) First Place Export Award from Council for Leather Export – Northern Region (Category above Rs.300 Crores – Leather Garments) for the financial year – 2018-19
- (e) Second Place Export Award from Council for Leather Export – Northern Region (Category Overall Exports) for the financial year – 2018-19
- (f) First Place Export Award from Council for Leather Export – Northern Region (Category Leather Goods Above Rs.50 Crores & Upto Rs.100 Crores) for the financial year – 2018-19
- (g) First Place Export Award from Council for Leather Export – Northern Region (Category Finished Leather Upto Rs.25 Crores) for the financial year – 2018-19

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- a) Details relating to deposits covered under Chapter V of the Act.
- b) Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration and commission from any of its subsidiaries.

- c) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- d) No frauds has been reported by the Auditors to the Audit Committee or the Board.
- e) There has been no changes in the nature of business 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

Chairman

DIN: 00928080

Gurugram, 11th August, 2022

Annexure A ESOP DISCLOSURE

Statement Pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014

The details of the Employees Stock Option Plan, 2013 approved by the Company is valid as on date and there has been no variation in the Scheme.

A. Relevant disclosures in terms of the "Guidance note on accounting for employee share-based payments" issued by ICAI or any other relevant accounting standards as prescribed from time to time are provided on the weblink: www.bhartiyafashion.com

B. Basic and Diluted EPS in accordance with "Accounting Standard 20 - Earnings Per Share" issued by ICAI is as under: Rs. 9.79 and Rs. 9.77 respectively on standalone basis

Particulars	Standalone (in Rs.)	Consolidated (in Rs.)
Basic EPS	9.79	(13.34)
Diluted EPS	9.77	(13.31)

C. Details related to Employees Stock Option Plan, 2013.

Name of the Scheme	Employees Stock Option Plan, 2013
Date of shareholders approval	September 23, 2013
Total number of options approved under ESOS	400,000
Vesting requirements	The minimum vesting period shall be 1 (one) year from the date of grant and may extend upto 4 (four) years as may be determined by the Board/ Nomination and Remuneration Committee.
Exercise price or 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 / Nomination and Remuneration Committee.
Maximum term of options granted	The options vested should be exercise within 5 years from the date of such respective vesting.
Source of shares (primary, secondary or combination)	Primary
Variation in terms of options	None
Method used for accounting of ESOPs	Fair Value
Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed.	Not applicable

D. Details of options granted to senior managerial personnel or identified employees is as under:

Particulars	Year Ended 31 st March, 2022
Senior managerial personnel	NIL
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.	NIL
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.	NIL

E. The activity in the Employees Stock Option Plan during the year ended 31st March, 2022 is as under:

Particulars	Year ended 31st March, 2022														
Number of options outstanding at the beginning of the period	25,511														
Number of options granted during the year	Nil														
Number of options forfeited / lapsed during the year	Nil														
Number of options vested during the year	Nil														
Number of options exercised during the year	4,760														
Number of shares arising as a result of exercise of options	4,760														
Money realized by exercise of options (INR), if scheme is implemented directly by the company	Rs. 2,38,000														
Loan repaid by the Trust during the year from exercise price received	NA														
Number of options outstanding at the end of the year	20,751														
Number of options exercisable at the end of the year	20,751														
Weighted average exercise price and weighted average fair value of Options granted during the year for Options whose exercise price either equals or exceeds or is less than the market price of the stock. Options whose exercise price is less than the market price: - Weighted average exercise price of options - Weighted average fair value of options	NA														
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information: - Date of Grant - Weighted average share price - Exercise price - Expected volatility - Option life (comprising of weighted average of vesting period and exercise period) - Expected dividends - Risk free rate of return	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">September 16, 2015</th> <th style="text-align: center;">December 31, 2015</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">Rs. 468.70</td> <td style="text-align: right;">Rs 521.15</td> </tr> <tr> <td style="text-align: right;">Rs. 50.00</td> <td style="text-align: right;">Rs. 50.00</td> </tr> <tr> <td style="text-align: right;">46.11%</td> <td style="text-align: right;">45.56%</td> </tr> <tr> <td style="text-align: right;">4.50 years</td> <td style="text-align: right;">4.50 years</td> </tr> <tr> <td style="text-align: right;">0.21%</td> <td style="text-align: right;">0.19%</td> </tr> <tr> <td style="text-align: right;">7.80%</td> <td style="text-align: right;">7.60%</td> </tr> </tbody> </table>	September 16, 2015	December 31, 2015	Rs. 468.70	Rs 521.15	Rs. 50.00	Rs. 50.00	46.11%	45.56%	4.50 years	4.50 years	0.21%	0.19%	7.80%	7.60%
September 16, 2015	December 31, 2015														
Rs. 468.70	Rs 521.15														
Rs. 50.00	Rs. 50.00														
46.11%	45.56%														
4.50 years	4.50 years														
0.21%	0.19%														
7.80%	7.60%														
The method used and the assumptions made to incorporate the effects of expected early exercise	Historical data for early exercise of Options is not accurate / uniform, hence not considered in expected life calculations.														
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes options pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility of the stock prices on the National Stock Exchange, over twelve months period prior to the date of grant has been considered.														
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	No other feature has been considered for fair valuation of options except as mentioned in the points above.														

ANNEXURE B
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Members

Bhartiya International Limited
56/7, Nallambakkam Village (Via Vandalur),
Chennai, Tamil Nadu 600 048

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **BHARTIYA INTERNATIONAL LIMITED** (hereinafter called the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board - Processes and Compliance – Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2022 according to the provisions of :-

1. The Companies Act, 2013("the Act") and Rules made thereunder as amended/modified;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye - laws framed thereunder;
4. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. 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, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period);**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during the Review Period);**
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period);**
 - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client to the extent of securities issued;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period);**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and **(Not applicable to the company during the audit period) and**
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
6. We further report that, we relied on the representation made by the Company and its officer for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company;

7. We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

8. We have also examined compliance with the applicable clauses of Secretarial Standard with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc.

9. We further report that:-

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting; and

Majority of decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or committee of the Board, as the case may be.

There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

10. We further report that during the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This report is to be read with our letter of even date which is annexed and form an integral part of this report.

**For RSM & Co.
Company Secretaries**

CS RAVI SHARMA
Partner
FCS: 4468 | COP No.: 3666
UDIN: F004468D000775942
Peer Review Cert. No. 978/2020

Delhi, 11th August, 2022

The Members

Bhartiya International Limited
56/7, Nallambakkam Village (Via Vandalur),
Chennai, Tamil Nadu 600 048

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliances of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, rule and regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For RSM & Co.
Company Secretaries

CS RAVI SHARMA
Partner
FCS: 4468 | COP No.: 3666
UDIN: F004468D000775942
Peer Review Cert. No. 978/2020

Delhi, 11th August, 2022

ANNEXURE C**ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2021-22****1. Brief outline on CSR Policy of the Company.**

The CSR Policy, duly approved by the Board of Directors has been uploaded on the Company website www.bhartiya.com. The policy contains the exhaustive list of programmes that can be undertaken by the Company during any reported period.

2. During the financial year 2021-22, the company had mainly catered in the field of education and rural area development projects. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Snehdeep Aggarwal	Chairperson	3	3
2	Mr. Ramesh Bhatia	Member	3	3
3	Mr. Sandeep Seth	Member	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<https://www.bhartiyafashion.com/download/CSR-PROJECTS-FY-2021-22.pdf>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable.
6. Average net profit of the company as per section 135(5).- Rs. 20,26,30,753/-
7. (a.) Two percent of average net profit of the company as per section 135(5)- Rs. 40,52,615/-
 (b.) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.-NIL
 (c.) Amount required to be set off for the financial year, if any-NIL
 (d.) Unspent amount of previous years- -NIL

Total CSR obligation for the financial year (7a+7b-7c+7d)- Rs. 40,52,615/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (in Rs.)	Date of transfer	Name of the Fund	Amount	Date of transfer
25,51,408	17,70,000	14/04/2022	NIL	NIL	-

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	State.	District.	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation-Direct (Yes/No).	Name	CSR Registration number
1.	Project 3/2021-22	Rural Development Project	Yes	Tamil Nadu	Kanchipuram	1 year	Rs. 25,00,000	Rs. 7,30,408	Rs. 17,69,592	Yes	Not Applicable	

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Project 1/2021-22	Rural Development & Sanitation	Yes	Tamil Nadu	Kanchipuram	3,21,000/-	Yes	Not Applicable	
2.	Project 2/2020-21	Promoting Education	Yes	Delhi NCR & Bangalore	Delhi NCR & Bangalore	15,00,000/-	Yes	No Applicable	
TOTAL						18,21,000/-			

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 25,51,408/-

(g) Excess amount for set off, if any: Not Applicable

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.	2018-19	-	44,91,000	-	-	-	-
2.	2019-20	-	22,52,199	-	-	-	-
3.	2020-21	-	105,58,000	-	-	-	-
TOTAL		-	1,73,01,199	-	-	-	-

(b.) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project- Completed/ Ongoing.
1.		Project 3/2021-22	2021-22	One Year	25,00,000	7,30,408	7,30,408	Ongoing
TOTAL		-	-	-	25,00,000	7,30,408	7,30,408	-

In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): **Not Applicable**

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

For and on behalf of the Board

Manoj Khattar
Whole-Time Director
DIN: 00694981

Snehdeep Aggarwal
Chairman
DIN: 00928080

Gurugram, 11th August, 2022

Annexure D

Information in accordance with the provision of Section 134 (3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given below:

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 and laptops, 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

Earnings: Rs.49,506.24 Lakhs

Expenditure: Rs.16,463.69 Lakhs

For and on behalf of the Board

Snehdeep Aggarwal
Chairman
DIN: 00928080

Gurugram, 11th August, 2022

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2022, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 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 and 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 2021-2022, the Company is in compliance of the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR Regulations / SEBI Listing Regulations] as applicable, with regard to Corporate Governance.

The detailed Corporate Governance Report of BIL is as follows:

BOARD OF DIRECTORS

The Board is entrusted with an ultimate responsibility of the Management, directions and performance of the Company. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures. In addition, the Board has created sub-committees to oversee the functions of executive management.

a. Composition of the Board, Other Directorships and Committee Memberships:

The composition of the Board is in conformity with the Companies Act, 2013 and SEBI LODR Regulations.

As on 31st March, 2022, the Board strength comprises of ten Directors and nine out of them are Non-Executive Directors. There are Five Independent Directors (out of which one is woman Director) on the Board who are professionals with high credentials and actively contributing 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 Directorships/Committee Memberships are as given below:

Name	Director Identification Number	Date of Appointment	Category of Directors	Directorships in other Indian Public Limited Companies	Memberships/ Chairmanships of other Committees		List of Directorship held in Other Listed Companies and Category of Directorship
					Chairman	Member	
Mr. Snehideep Aggarwal	00928080	07-01-1987	Promoter, Non-Executive Chairman	-	-	-	-
Mr. Ramesh Bhatia	00052320	06-09-1987	Promoter, Non-Executive Non-Independent Director	1	-	-	-
Mr. Manoj Khattar	00694981	13-08-2018	Executive Director (Whole-Time Director)	5	1	-	-
Mr. Robert Burton Moore Jr.	08108097	16-04-2018	Non-Executive Non-Independent Director	-	-	-	-

Name	Director Identification Number	Date of Appointment	Category of Directors	Directorships in other Indian Public Limited Companies	Memberships/ Chairmanships of other Committees		List of Directorship held in Other Listed Companies and Category of Directorship
					Chairman	Member	
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	-	1	-
Mr. Sandeep Seth	01408624	28-02-2002	Non-Executive Independent Director	2	-	1	-
Mr. Shashank	01569514	30-07-2007	Non-Executive Independent Director	1	-	-	-
Mr. A. Sahasranaman	01983690	30-06-2008	Non-Executive Independent Director	-	-	-	-
Mrs. Sannovanda Swathi Machaiah	06952954	01-04-2021	Non-Executive Independent Director	4	-	4	Simplex Castings Limited - Non-Executive Independent Director PC Jeweller Limited- Non-Executive Independent Director

- 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 and is within respective limits prescribed under the Companies Act, 2013 ("Act") and Listing Regulations.
- 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.
- The Independent Directors also meet the criteria as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013.
- 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 the Company www.bhartiya.com.
- Maximum tenure of Independent Directors is in accordance with the Companies Act, 2013 and rules made thereunder.
- Mr. Nikhil Aggarwal is the nephew of Mr. Snehdeep Aggarwal, Promoter Director. No other directors are related to each other.

b. 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 2021-22, the Board met five times. The meetings were held on 2nd June, 2021, 29th June, 2021, 13th August, 2021, 12th November, 2021, and 14th February, 2022. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the SEBI Listing Regulations and Circulars issued from time to time.

The attendance of Directors at the Board meetings held during the financial year ended 31st March, 2022 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	5	Absent
Mr. Manoj Khattar	5	Present
Mr. Ramesh Bhatia	4	Absent
Mr. C. L. Handa	4	Present
Mr. Sandeep Seth	5	Present
Mr. Shashank	5	Absent
Mr. A. Sahasranaman	4	Absent
Mr. Nikhil Aggarwal	4	Absent
Mr. Robert Burton Moore Jr.	4	Absent
Mrs. Sannovanda Swathi Machaiah	4	Absent

* Includes Meeting attended through Video/Tele Conference.

Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Human Resources, Nomination and Remuneration Committee, for appointment, as an Independent Director on the Board. The Committee inter alia considers qualification, positive attributes, area of expertise and number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance the terms and conditions of appointment of Independent Directors posted on Company's website. The Board considers the Committee's recommendation and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he / she meets the criteria of independence as provided under the law and that he / she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective independent judgement and without any external influence.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

c. Skills/expertise/competencies of the Board

The Board recognizes certain skills/expertise/competencies that are required by it to function effectively in the context of business of the Company and which inter-alia consists of experience and knowledge of the Leather and Textile Industry and specialist knowledge in various areas.

Board members have significant experience and expertise in the areas of corporate governance, strategy, finance, banking, 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 has identified the following skill set with reference to its Business and Industry which are available with the Board:

Name of the Directors	Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)
Mr. Snehdeep Aggarwal	Leadership, Entrepreneurship, Global business and consumer understanding, Business Strategy and Corporate Management
Mr. Ramesh Bhatia	Entrepreneur, Business Management
Mr. Manoj Khattar	Financial matters including capital budgeting, planning & management, corporate finance experience.
Mr. Robert Burton Moore Jr.	Marketing specialist, Business Management
Mr. Nikhil Aggarwal	International Marketing and Business Management
Mr. C L Handa	Credit Management, Foreign Exchange, Merchant Banking

Name of the Directors	Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)
Mr. Shashank	Diplomat, Retired Foreign Secretary from the Government of India
Mr. A. Sahasranaman	Rich Expertise in Leather sector and served in UNDP and UNIDO Promoting Leather Sector in India
Mr. Sandeep Seth	Professional with expertise in Accounts, Finance and Taxation
Mrs. Sannovanda Swathi Machaiah	Expertise in Banking, Accounts and Finance matters.

d. Information Supplied to the Board

The Board has complete access to all the information with the Company. The Company provides the information as set out in Regulation 17(7) read with Part A of Schedule II of the SEBI LODR Regulations to the Board to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

e. Post Meeting Mechanism

The important decisions taken at the Board/Board Committee meetings are communicated to the concerned departments/divisions for their further actions.

f. Board Support

The Company Secretary attends the Board meetings and advises the Board on Compliances with applicable laws and governance.

g. Shareholding of Non-Executive Directors

As on 31st March 2022, the shares held by the Non-Executive Directors is provided below:

Name of the Directors	No. of shares held
Mr. Snehdeep Aggarwal	1143362
Mr. Ramesh Bhatia	340250
Mr. Nikhil Aggarwal	20100

Further, none of the Non-Executive Directors holds any convertible Instruments of the Company.

h. Roles, Responsibilities and Duties of the Board

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

i. Independent Directors

The Non-Executive Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 is disclosed on the website of the Company www.bhartiya.com. The same is issued to Independent Directors on their appointment. In compliance with the Listing Regulations, Directors of the Company do not serve as an Independent Director in more than seven listed companies. Further, no Independent Director serves as a Whole-Time Director/Managing Director in any other listed company.

The Company has obtained a certificate from Practicing Company Secretary confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

j. Familiarization Programme for Independent Directors

At the time of appointing an Independent Director, a formal letter of appointment is given to concerned Director, which inter alia explains the role, function, duties and responsibilities expected from a Director of the Company. The Director is also explained in detail the Compliance required from them under Companies Act, 2013, SEBI Listing Regulations and other various statutes and thereafter an affirmation is obtained. The Chairman also has a one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations.

Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries/associates businesses and

operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

Details of the programme for familiarisation of Independent Directors with the working of the Company are available on the website of the Company and can be accessed on <https://www.bhartiyafashion.com/download/FAMILIARISATION-PROGRAMME-FOR-INDEPENDENT-DIRECTORS-2021-2022.pdf>

k. Conflict of Interests

Each Director informs the Company on an annual basis about the Board and the Committee positions he/she occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of the Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

COMMITTEES OF THE BOARD

The Board of Directors have 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

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's financial reporting process and internal controls.

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the SEBI Listing Regulations. All members of the Audit Committee 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.

The Audit Committee inter alia provides directions to and oversee the internal audit and risk management functions, review of financial results and annual financial statements, interact with statutory auditors and carry out such others matters as required in terms of the Companies Act, 2013 and SEBI LODR Regulations. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

Company Secretary acts as Secretary of the Audit Committee. The Statutory and Internal Auditors, Chief Financial Officer are invitees for the Audit Committee Meetings.

(ii.) Meetings and Attendance during the Financial Year 2021-22

The Members of the Audit Committee met five times during the Financial Year 2021-22. The Company is in full compliance with the provisions of Regulation 18 of the SEBI Listing Regulations on gaps between any two Audit Committee meetings. The Committee met on 2nd June, 2021, 28th June, 2021, 13th August, 2021, 12th November, 2021 and 14th February, 2022. 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	02.06.2021	28.06.2021	13.08.2021	12.11.2021	14.02.2022
Mr. Sandeep Seth	P	P	P	P	P
Mr. Shashank	P	P	P	P	P
Mr. C.L. Handa	A	A	P	P	A

Includes Meeting attended through Video/Tele Conference.

(iii) Terms of Reference

- 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.
- Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including cost auditors, if any, and fixation of audit fees and other terms of appointment.

- c. Approving payment to statutory auditors, including cost auditors, if any, 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
 - Modified opinion(s) in the draft audit report
- e. Reviewing with the management and Statutory Auditors, the quarterly and half yearly 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 auditor's 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. Review of 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 or any other person heading the finance function or discharging that function after assessing qualifications, experience and background of the candidate
- t. Frame and review policies in relation to implementation of the Company's code of conduct and Code of conduct for prevention of Insider Trading and supervise its implementation under the overall supervision of the Board;
- u. 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.
- v. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.
- w. 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
- x. statement of deviations:
- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.
 - annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of the SEBI Listing Regulations.
- y. Reviewing the utilization of loans and/or advances to/investment in the subsidiary company exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
- z. Authority to review/investigate into any matter covered by Section 177 of the Companies Act, 2013 and the matters specified in Part C of schedule II to the Listing Regulations.

B. NOMINATION AND REMUNERATION COMMITTEE

(i) Composition

The Committee comprises of three Non-Executive Independent Directors in pursuant to Regulation 19 of the SEBI LODR Regulations. 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. Company Secretary acts as Secretary of the Nomination and Remuneration Committee. The Composition of Remuneration and Nomination Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations.

(ii) Meetings and Attendance during the financial year 2021-22

The Nomination and Remuneration Committee met three times during the year. The necessary quorum was present for the Meeting. The table below provides the Attendance of the Nomination and Remuneration Committee members:

Director	22.04.2021	29.06.2021	13.08.2021
Mr. Sandeep Seth	P	P	P
Mr. Shashank	P	P	P
Mr. C.L. Handa	A	A	P

Includes Meeting attended through Video/Tele Conference.

(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.

(iv) Remuneration of Directors

Remuneration to Whole-Time Director (Executive Director)

Remuneration of the Whole-Time Director is determined periodically by the Nomination and Remuneration Committee and fixed by the Board within the permissible limits under the applicable provisions of law and approved by Shareholders.

Remuneration to Whole-Time Director for the financial year 2021-22 is as under:

Name of the Director	Salary (Rs.)	Stock Options	Notice Period
Mr. Manoj Khattar *	93,79,040	1199	3 months

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

Remuneration to Non- Executive Directors

The Non-Executive Directors are paid sitting fees within the limits prescribed under law.

The details of sitting fees paid for attending the Board/Committee Meetings to the Non-Executive Directors for the financial year 2021-22 is as under: -

Name of the Director	Board Meeting Fees (Rs.) *	Committee Meeting Fees (Rs.) *	Total (Rs.)
Mr. Snehdeep Aggarwal	-	-	-
Mr. C. L. Handa	44444	61111	105555
Mr. Ramesh Bhatia	44444	-	44444
Mr. A. Sahasranaman	33333	-	33333
Mr. Shashank	55555	66666	122221
Mr. Sandeep Seth	55555	66666	122221

Name of the Director	Board Meeting Fees (Rs.) *	Committee Meeting Fees (Rs.) *	Total (Rs.)
Mr. Nikhil Aggarwal	-	-	-
Mrs. Sannovanda Swathi Machaiah	44444	-	44444
Mr. Robert Burton Moore Jr.	-	-	-

* The above amounts are inclusive of taxes

No sitting Fees has been paid to Mr. Snehdeep Aggarwal, Mr. Robert Burton Moore Jr. and Mr. Nikhil Aggarwal during the year under review.

In addition, Mr. Snehdeep Aggarwal was paid a remuneration of Rs. 9,00,000 for the year 2021-22 for his responsibilities as the Chairman of the Company.

Mr. Robert Burton Moore Jr., Non-Executive Director, was paid Consultancy Fees of Rs. 80,62,792 /- during the year under review as approved by the shareholders of the Company in the Annual General Meeting held on 29th September, 2021 for holding office or place of profit.

The appointment of Directors, Key Managerial Personnel and other employees are governed by virtue of their employment/contract of service with the Company as management employees and therefore, their terms of employment vis-à-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies.

There has been no other material pecuniary relationship or business transactions by the Company with any of the Non-Executive and Independent Directors of the Company during the year under review.

BOARD EVALUATION

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees on the evaluation criteria defined by Nomination and Remuneration Committee for performance evaluation process of the Board, its Committees and Directors.

A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared after taking into consideration the Guidance note issued by SEBI vide circular no, CMD/CIR/P/2017/004 dated 05.01.2017 and circulated to each Board member to for evaluation.

The Board's functioning was evaluated on various aspects, including inter-alia the structure of the Board, meeting of the Board, functions of the Board, degree of fulfilment of key responsibilities, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

The Committees of the Board were assessed on the degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of Meetings. The Directors were evaluated on aspects such as attendance, contribution at Board / Committee Meetings and guidance / support to the Management outside Board / Committee Meetings.

The performance assessment of Non-Independent Directors and the Whole Time Director, Board as a whole and the Chairman were evaluated in separate meetings of Independent Directors held on 21st March, 2022 without the presence of Non-Independent Directors and members of the management. The same was also discussed in the meetings of Nomination and Remuneration Committee and the Board. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The Board of Directors expressed their satisfaction with the evaluation process.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

(i) Composition

The Stakeholders Relationship Committee comprises of three Non-Executive Directors and all are Independent Directors in pursuant to Regulation 20 of the SEBI Listing Regulations. 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.

Company Secretary acts as Secretary to the Committee.

(ii) Compliance Officer

Mr. Yogesh Kumar Gautam, Company Secretary, is the Compliance Officer. His contact details are:- Bhartiya International Limited, 38, Sector-44, Gurugram - 122003, India. Tel: 0124-4888555, Email: yogesh.gautam@bhartiya.com

(iii) Meetings and attendance during the Financial Year 2021-22

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

Director	29.06.2021	13.08.2021	12.11.2021	14.02.2022
Mr. Sandeep Seth	P	P	P	P
Mr. Shashank	P	P	P	P
Mr. C.L. Handa	A	P	P	P

Includes Meeting attended through Video/Tele Conference.

(iv) Terms of Reference

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

- Oversee and review and approve all matters connected with the transfer, transposition and transmission of the Company's securities, deletion of names, change of names;
- 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, SEBI Listing Regulations 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 1 (One) only and all of them have been redressed/answered to the satisfaction of shareholders. There was no grievance which was pending during the for financial year ending 31st March, 2022.

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**(i) Composition**

The Committee comprises of three Directors. Mr. Snehdeep Aggarwal is the Chairman of the Committee. Other members of the Committee are Mr. Ramesh Bhatia and Mr. Sandeep Seth. Company Secretary acts as Secretary of the CSR Committee. The Composition of CSR Committee is in line with the provisions of Section 135 of the Companies Act, 2013.

(ii) Meetings and Attendance during the financial year 2021-22

Three Meetings of the Committee were held during the year.

Director	26.06.2021	13.08.2021	14.02.2022
Mr. Snehdeep Aggarwal	P	P	P
Mr. Ramesh Bhatia	P	P	P
Mr. Sandeep Seth	P	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.

- b. To recommend the amount of expenditure to be incurred on the CSR activities.
- c. To monitor the implementation of the framework of the CSR Policy.
- d. To disseminate factually correct information to investors, institutions and the public at large.
- e. 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 formation of the CSR Committee, the members have refused to take sitting fees.

E. MANAGEMENT COMMITTEE

(i) Composition

The Management Committee consists of three members. i.e. Mr. Snehdeep Aggarwal, Mr. C. L. Handa and Mr. Manoj Khattar.

(ii) Meetings and Attendance during the financial year 2021-22

Fourteen Meetings of the Committee were held during the year 2021-22.

Meetings	Directors		
	Mr. Snehdeep Aggarwal	Mr. Manoj Khattar	Mr. C.L. Handa
27.04.2021	P	P	A
26.05.2021	P	P	A
25.06.2021	P	P	A
30.06.2021	P	P	A
13.07.2021	P	P	A
05.08.2021	P	P	A
13.08.2021	P	P	A
26.08.2021	P	P	A
22.09.2021	P	P	A
25.10.2021	P	P	A
18.11.2021	P	P	A
28.12.2021	P	P	A
27.01.2022	P	P	A
21.02.2022	P	P	A
03.03.2022	P	P	A

(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.700 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/liaising 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, GST authorities etc. and vendors.
- c. Authorisation for opening and closing of bank accounts, changes in signatories for operating the bank accounts etc.
- d. Authorisation for making investments in securities quoted on the stock exchanges.
- e. Authorisation for making investments in group companies.
- f. To take up any other assignments as may be granted by the Board from time to time.

F. MEETING OF INDEPENDENT DIRECTORS

As per Regulation 25(3) and 25(4) of the SEBI LODR Regulations, during the year under review, all the Independent Directors met on 15th March, 2021 and discussed inter-alia on:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Whole-time Director of the Company, taking into account the views of the 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.

G. GENERAL BODY MEETINGS

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
34 th AGM	29 th September, 2021	11:00 A.M.	Through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility	2
33 rd AGM	29 th September, 2020	02.00 P.M.	Through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility	1
32 nd AGM	26 th September, 2019	02.00 P.M.	Auditorium, National Institute of Siddha, Trichy-Chennai Highway, Tambaram Sanatorium, Chennai, Tamil Nadu - 600 047	4

All resolutions moved at the Annual General Meeting held on 26th September, 2019 were passed through Poll (electronically and physical ballot).

No Extraordinary General Meetings were held during the last 3 years.

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.

CREDIT RATING

Rating Committee of ICRA has downgraded the long-term rating of [ICRA]BBB (pronounced ICRA triple B) assigned earlier to the captioned bank facilities of Rs 603.68 crore, to [ICRA]BBB Negative/ICRA A2. The outlook on the long-term rating is revised to Negative from Stable.

MEANS OF COMMUNICATION

- 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 SEBI Listing Regulations, with the Stock Exchanges.
- 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 newspaper (Business Standard in English, Hindi and Hindu in Tamil), within forty-eight hours of approval thereof.
- The Company's financial results and officials press releases are displayed on the Bhartiya Group's website: www.bhartiya.com.
- Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.

- (v) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre and NSE's NEAPS Portal.
- (vi) Investors' presentation etc. are sent to stock exchanges and uploaded on the Company's website. Half yearly communication on the operational and financial performance of the Company is sent to the shareholders.
- (vii) A separate dedicated section under "Investor Relations", on the Company's website gives information on all disclosures filed with stock exchanges and all other information and documents that are required to be placed on the website of the Company under SEBI LODR regulations and other relevant information of interest to the investors / public.

GENERAL SHAREHOLDER INFORMATION

1.	AGM: Date, Time and Mode:	Day and Date: Thursday, 29th September, 2022 Time: 11:00 a.m. Through Video Conferencing / Other Audio Visual Means as set out in the Notice convening the Annual General Meeting.
2.	Financial Calendar for 2022-23	
	Financial year - April to March	
	Results for Quarter ending 30 th June 2022:	by 14 th of August, 2022
	Results for Quarter ending 30 th September 2022:	by 14 th of November, 2022
	Results for Quarter ending 31 st December 2022:	by 14 th of February, 2023
	Year ending 31 st March 2023:	by 30 th of May, 2023
3.	Book Closure:	Friday the 23 rd September, 2022 to Thursday the 29 th September, 2022 (both days inclusive)
4.	Dividend Payment Date:	Not applicable

5. Listing on Stock Exchanges & Stock Code

The Company is listed at following Stock Exchanges:-

- BSE Limited (Stock Code: 526666) and
- National Stock Exchange of India Ltd. (Stock Code: Symbol-BIL, Series - BE)

The Annual listing fee for the year 2021-22 has been duly paid to both the Stock Exchanges. Demat ISIN Number with NSDL & CDSL for Equity shares - INE 828A01016

Annual Custody Issuer fee for the financial year 2021-22 has been paid by the Company to NSDL and CDSL.

6. Exclusive E-mail Id For Communication of Investors' Grievances

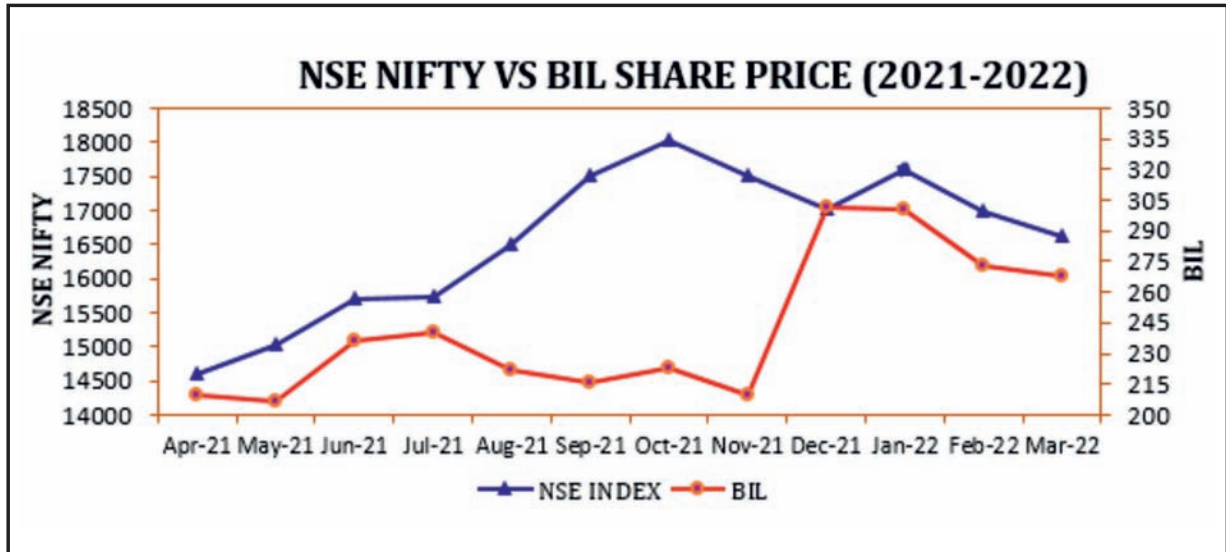
The E-mail ID sm@masserv.com / shares@bhartia.com has been designated exclusively for communicating investors' grievances, if any.

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

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

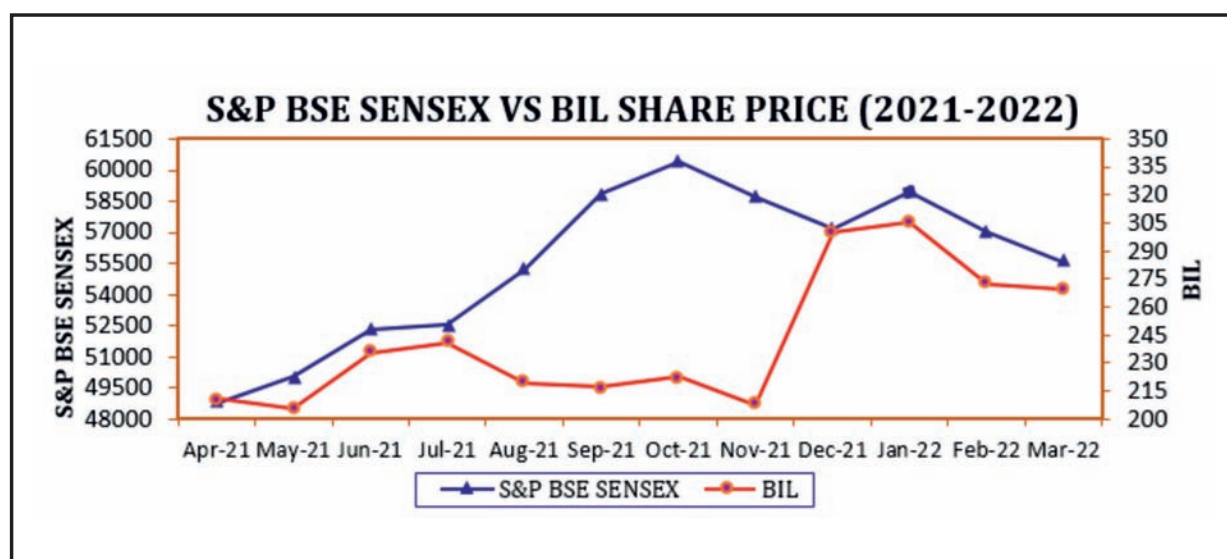
NSE

Months	BIL			Months	NSE Nifty		
	High (Rs.)	Low (Rs.)	Average (Rs.)		High (Rs.)	Low (Rs.)	Average (Rs.)
Apr-21	249.00	170.00	209.50	Apr-21	15044.35	14151.40	14597.88
May-21	223.90	190.00	206.95	May-21	15606.35	14416.25	15011.30
Jun-21	264.90	208.00	236.45	Jun-21	15915.65	15450.90	15683.28
Jul-21	257.00	222.95	239.98	Jul-21	15962.25	15513.45	15737.85
Aug-21	246.60	198.00	222.30	Aug-21	17153.50	15834.65	16494.08
Sep-21	244.95	185.85	215.40	Sep-21	17947.65	17055.05	17501.35
Oct-21	244.00	201.10	222.55	Oct-21	18604.45	17452.90	18028.68
Nov-21	235.00	185.00	210.00	Nov-21	18210.15	16782.40	17496.28
Dec-21	384.00	218.20	301.10	Dec-21	17639.50	16410.20	17024.85
Jan-22	341.90	258.20	300.05	Jan-22	18350.95	16836.80	17593.88
Feb-22	312.00	233.75	272.88	Feb-22	17794.60	16203.25	16998.93
Mar-22	294.95	240.10	267.53	Mar-22	17559.80	15671.45	16615.63

**BSE**

Months	BIL			Months	BSE Sensex		
	High (Rs.)	Low (Rs.)	Average (Rs.)		High (Rs.)	Low (Rs.)	Average (Rs.)
Apr-21	251.60	170.00	210.80	Apr-21	50375.77	47204.50	48790.14
May-21	224.00	188.20	206.10	May-21	52013.22	48028.07	50020.65
Jun-21	265.95	205.60	235.78	Jun-21	53126.73	51450.58	52288.66
Jul-21	262.45	219.60	241.03	Jul-21	53290.81	51802.73	52546.77
Aug-21	238.60	200.50	219.55	Aug-21	57625.26	52804.08	55214.67
Sep-21	249.00	185.60	217.30	Sep-21	60412.32	57263.90	58838.11

Months	BIL			Months	BSE Sensex		
	High (Rs.)	Low (Rs.)	Average (Rs.)		High (Rs.)	Low (Rs.)	Average (Rs.)
Oct-21	242.50	202.60	222.55	Oct-21	62245.43	58551.14	60398.29
Nov-21	226.80	189.05	207.93	Nov-21	61036.56	56382.93	58709.75
Dec-21	383.00	216.35	299.68	Dec-21	59203.37	55132.68	57168.03
Jan-22	345.00	265.75	305.38	Jan-22	61475.15	56409.63	58942.39
Feb-22	309.55	235.00	272.28	Feb-22	59618.51	54383.20	57000.86
Mar-22	294.80	243.40	269.10	Mar-22	58890.92	52260.82	55575.87



- 8. Registrar & Share Transfer Agent : MAS Services Ltd.**
 (For both Physical & Electronic Transfer etc.) 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

9. Physical Share Transfer System:

All transfer, transmission or transposition of securities, are conducted in accordance with the provisions of Regulation 40, Regulation 61 and Schedule VII of the SEBI Listing Regulations, read together with relevant SEBI Circulars. All requests for transfer and/or dematerialisation of securities held in physical form, should be lodged with the office of the Company's Registrar & Share Transfer Agent, MAS Services Limited, Delhi or at the registered/Corporate office of the Company for dematerialisation.

Securities lodged for transfer at the Registrar's address are normally processed within statutory time limit from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the respective depositories, that is the National Securities Depository Limited and the Central Depository Services India Limited, within the statutory time limit from the date of receipt of share certificates / letter of confirmation after due verification.

In terms of the SEBI Listing Regulations, securities of the Company can only be transferred in dematerialised form. Requests for dematerialisation of securities are processed and confirmation thereof is given to the respective depositories, that is the National Securities Depository Limited (NSDL) and the Central Depository Services India Limited (CDSL), within the statutory time limit from the date of receipt of share certificates/ letter of confirmation after due verification.

10. Distribution of Shareholding as on 31st March, 2022

No. of Shares	Shareholders		Shareholding	
	Number	% to total	Number	% to total
Upto 500	5996	91.79	397342	3.25
501-1000	262	4.01	180863	1.48
1001-2000	88	1.35	128811	1.05
2001-3000	38	0.58	96793	0.79
3001-4000	25	0.38	90991	0.74
4001-5000	20	0.31	90898	0.74
5001-10000	41	0.63	301645	2.47
10001 & above	62	0.95	10919786	89.45
Total	6532	100.00	12207129	100.00

11. Shareholding Pattern as on 31st March, 2022

Category	No. of Share held	% of Paid up Capital
Promoters Holding	1483612	12.15
Persons acting in concert	5518037	45.20
Banks/Financial Institutions	200	0.00
Central Government/State Government (IEPF)	56012	0.46
NRIs/OCBs/Foreign National/FII/FFI	1085100	8.89
Indian Corporate Bodies/LLPs/ Trusts	1861800	15.25
Indian Public (Individual and HUF)	2141810	17.55
Directors and relatives	40025	0.33
Clearing Members	20533	0.17
Total	12207129	100.00

12. Dematerialization of shares and liquidity share

: As on 31st March, 2022, 99.20% of the Paid-up capital has been dematerialized.

13. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

: During the year under review, the Company had allotted 4760 equity shares under Employee Stock Option 2013 to the employees of the Company who had exercised their right to convert stock options into Equity shares. This results in increase in paid up Equity Capital to Rs. 1,220,71,290/-.

14. Plant Locations

: Bangalore, Chennai, Tada.

15. Address for Correspondence

: Registered Office
 Bhartiya International Limited
 56/7, Nallambakkam Village,
 (Via Vandalur), Chennai – 600 048. Tamil Nadu
 Tel No.: +91 9551050148/19/20/21
 E-mail: shares@bhartiya.com

Company Secretary and Compliance Officer
 Mr. Yogesh Kumar Gautam
 Bhartiya International Limited
 56/7, Nallambakkam Village,
 (Via Vandalur), Chennai –600 048. Tamil Nadu
 Tel No.: +91 9551050148/19/20/21
 E-mail: shares@bhartiya.com

DISCLOSURES

1. The Company is in compliance with all the mandatory requirements under the Listing Regulations.
2. All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations 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 transactions with Related Parties during the financial year. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS". A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the SEBI Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company (www.bhartiya.com).

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

3. In the preparation of the financial statements, 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
4. Company has laid down adequate procedure to inform the Board about the risk assessment and risk minimization procedures. Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.
5. Commodity price risks and commodity hedging activities – The Company is exposed to the risk of price fluctuation of raw materials and manages these risks proactively through inventory management and proactive vendor development practices.
6. 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.
7. 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 guidelines on SEBI (Prohibition of Insider Trading) Regulations, 2015, the company has implemented a Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information.
8. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). **Not Applicable**
9. A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The Company has obtained the certificate in this regard and the same is annexed as a part of the report.
10. Where the board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year. **Not Applicable.**
11. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part - Details relating to fees paid to the Statutory Auditors are given in Note 49 to the Standalone Financial Statements and Note 38 to the Consolidated Financial Statements.
12. Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, 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.
13. **Demat Suspense Account/ Unclaimed Suspense Account** - The Company does not have any shares in the demat suspense account or unclaimed suspense account.
14. **SUBSIDIARY COMPANY**

None of the subsidiary of the Company falls within the meaning of "Material Non-listed Indian subsidiary" as designed by the SEBI Listing Regulations. However, the Company has formulated the Material Subsidiary policy and uploaded the same on the website of the Company (www.bhartiya.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.

15. The Company has complied with all mandatory requirements of Corporate Governance as specified under SEBI Listing Regulations. The company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and sub-regulation (2) of the Regulation 46 of the Listing Regulations.

NON-MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also adopted the following discretionary requirements as provided in the Listing Regulations:

- (i) The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Whole-Time Director & CEO.
- (ii) The Internal Auditor reports to the Audit Committee.
- (iii) The financial statements of the Company are with unmodified audit opinion.

Insider Trading Code

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended in 2018 ("The PIT Regulations").

The object of the PIT Regulations is to curb the practice of insider trading in the securities of a listed Company.

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the PIT Regulations.

The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSII)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

Code of Conduct

As per requirement of Regulation 17(5) of the SEBI Listing Regulations, 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.bhartiya.com. All Board members and Senior Management Personnel affirm at firm compliance with the code on an annual basis and the declaration to that effect by Mr. Snehdeep Aggarwal, Chairman, 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. There is no instance of sexual harassment reported during the financial year ending 2021-22.

NSE ELECTRONIC APPLICATIONS PROCESSING SYSTEMS (NEAPS) and BSE LISTING CENTER

All compliances related filings like financials results, shareholding pattern, corporate governance report, investors' complaints status, media releases etc. are also filed electronically in NEAPS and 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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

MDA is attached separately in this Annual Report.

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 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 L74899TN1987PLC111744.

Transfer of unclaimed / unpaid amounts / shares to the Investor Education and Protection Fund (IEPF):

Pursuant to Sections 124 and 125 of the Act read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has to transfer to the IEPF Authority, established by the Central Government the dividend amounts, application money, principal amounts of debentures and deposits as well as the interest accruing thereon, sale proceeds of fractional shares, redemption amount of preference shares, etc. remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment.

Furthermore, the IEPF Rules mandate companies to transfer shares of shareholders whose dividend amounts remain unpaid / unclaimed for a period of 7 consecutive years to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of the Court, Tribunal or Statutory Authority, restraining any transfer of shares.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for 7 consecutive years of the Company. Further, shares of the Company, in respect of which dividends have not been claimed for 7 consecutive years or more, have also been transferred to the demat account of the IEPF Authority.

The details of the unclaimed dividends and shares transferred to IEPF during FY 2021-22 are as follows:

Particulars	Amount in Dividend (In Rs.)	No. of Shares
Final Dividend 2013-14	1,16,803	4,869
Total	1,16,803	4,869

The Members who have a claim on the above dividends and shares may claim the same from the IEPF Authority by submitting an online application in the prescribed web-Form No. IEPF-5 available on the website www.iepf.gov.in and send an original form and acknowledgement, along with requisite documents duly self-certified by the claimant(s), duly self-certified, of the said Form and acknowledgement along with requisite documents, as enumerated in the Instruction Kit, to the Company for vetting and suitable recommendation to IEPF Authority. No claims shall lie against the Company in respect of the dividend/shares so transferred. The Members/ Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

The Company strongly recommends shareholders to encash / claim their respective dividend within the period given below from the Company's Registrar and Share Transfer Agents:

Financial Year Ended	Date by which unclaimed dividend amount will be credited/ transferred to the "Investor Education and Protection Fund"
31.03.2015	26.10.2022
31.03.2016	03.11.2023
31.03.2017	01.11.2024
31.03.2018	02.11.2025
31.03.2019	31.10.2026
31.03.2020	N.A.
31.03.2021	N.A.
31.03.2022	N.A.

Members who have not encashed their Dividend Warrants for the above financial years/period, may approach the Company's Registrar & Share Transfer Agent/Company for obtaining duplicate Dividend Warrants/Revalidation of Dividend Warrants or transfer of dividend amount into their bank accounts.

Whilst the Company has already written to the Members, informing them about the due dates for transfer to IEPF for unclaimed dividends/ interest payments, attention of the stakeholders is again drawn to this matter through the Annual Report. The data on unpaid/ unclaimed dividend and other unclaimed monies is also available on the Company's website at www.bhartiya.com under Investor Relations section. Those claimants who have not yet encashed their unclaimed/unpaid amounts are requested to correspond with the Company/ Registrar and Transfer Agents, at the earliest. Members may refer to the Refund Procedure for claiming the amounts transferred to the IEPF Authority as detailed on <http://www.iepf.gov.in/IEPF/refund.html>.

Mr Yogesh Kumar Gautam, Company Secretary, is the Nodal Officer. His contact details are – Bhartiya International Limited, Plot no. 38, Sector-44, Gurgaon, India. Tel: 0124-4888555 (Extn.-8511) Email: yogesh.gautam@bhartiya.com.

Upto March 31, 2022, the Company has transferred 56,012 (0.045%) equity shares of Rs. 10 each, on which dividend remained unclaimed or unpaid for a period of seven consecutive years or more, to Investor Education and Protection Fund Authority (IEPF Authority).

Share Transfer System

All transfer, transmission or transposition of securities, are conducted in accordance with the provisions of Regulation 40 and Schedule VII of the SEBI Listing Regulations, read together with relevant SEBI Circulars.

All requests for transfer and/or dematerialisation of securities held in physical form, should be lodged with the office of the Company's Registrar & Share Transfer Agent, MAS Services Limited, Delhi or at the registered office/ Corporate office of the Company for dematerialisation.

Securities lodged for transfer at the Registrar's address are normally processed within statutory time limit from the date of lodgement if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the respective depositories, that is the National Securities Depository Limited and the Central Depository Services India Limited, within the statutory time limit from the date of receipt of share certificates / letter of confirmation after due verification. All investor service requests, including grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within the statutory time limit.

In terms of the SEBI Listing Regulations, securities of the Company can only be transferred in dematerialised form. Requests for dematerialisation of securities are processed and confirmation thereof is given to the respective depositories, that is the National Securities Depository Limited (NSDL) and the Central Depository Services India Limited (CDSL), within the statutory time limit from the date of receipt of share certificates/ letter of confirmation after due verification.

Dematerialization of Shares – Process

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing shares in demat form. For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- a. Demat account should be opened with a Depository Participant (DP).
- b. Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- c. DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- d. DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), i.e Mas Services Limited.
- e. RTA will process the DRF and update the status to DP/ Depositories.
- f. Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

Nomination Facility

Your Company is pleased to offer the facility of nomination to members. Pursuant to Section 72 of the Companies Act, 2013, the members, who hold shares in the physical form and wish to avail nomination facility, are requested to send the duly complete nomination form, available on the website of the Company www.bhartiya.com, to the Registrar and Share transfer Agent of the Company. The Members, who hold shares in the electronic form and wish to avail nomination facility, are requested to send separate request to their respective Depository Participant(s) only.

Consolidation of Folios and avoidance of Multiple Mailing

In order to enable the Company to reduce costs and duplication of efforts for investor servicing, members who may have more than one folio in their individual name or jointly with other persons mentioned in the same order, are requested to consolidate all similar holdings under one folio. This would help in monitoring the folios more effectively. Members may write to the Registrar and Share Transfer Agent at their address given earlier, indicating the folio numbers to be consolidated.

National Electronic Clearing Services (NECS) Mandate

Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS) mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers etc., to their respective Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Share Transfer Agent to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Company's Registrar and Share Transfer Agent.

Compliance Certificate

The Statutory Auditors M/s. KASG & Co., Chartered Accountants, have certified that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations and the same is annexed to this Report.

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 provided under Regulation 26 (3) of the SEBI Listing Regulations, all Board Members and Senior Management Personnel have affirmed compliance with Bhartiya International Ltd Code of Business Conduct and Ethics for the year ended 31st March, 2022.

Sd/-

Snehdeep Aggarwal

Chairman

Gurugram, 30th May, 2022**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members

Bhartiya International Ltd.

56/7, Nallambakkam Village, (Via Vandalur),

Chennai - 600048 (Tamil Nadu)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of BHARTIYA INTERNATIONAL LIMITED having CIN L74899TN1987PLC111744 and having registered office at 56/7, Nallambakkam Village (Via Vandalur) Chennai, Tamilnadu 600048 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company, Our responsibility is to express an opinion on these based on our verification, This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RSM & CO.
Company Secretaries

Sd/-

CS Ravi Sharma**Partner****FCS: 4468 | COP No.: 3666****UDIN: F004468C000790055****Peer Review Cert. No 978/2020**New Delhi, 11th August, 2022

CEO/CFO CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended 31st March, 2022)

To,
The Board of Directors
Bhartiya International Ltd.

We, Manoj Khattar, Whole-Time Director and Raj Kumar Chawla, 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, 2022 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, 2022 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 taken 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

Gurugram, 11th August, 2022

Sd/-
Manoj Khattar
Whole-Time Director

Sd/-
Raj Kumar Chawla
Chief Financial Officer

AUDITORS 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, 2022 as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as "SEBI Listing Regulations, 2015").

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 SEBI Listing Regulations, 2015.

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 K A S G & CO.

Firm Registration No. 002228C
Chartered Accountants

R B Sharma

Partner
Mem. No. 075701
UDIN: 22075701APSDEM4236

Gurugram, 11th August, 2022

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

**To the Members of
Bhartiya International Limited
Report on the Audit of the Consolidated Financial Statements**

Opinion

We have audited the accompanying Consolidated Financial Statements of Bhartiya International Limited ('the Holding Company') and its subsidiaries (the Holding company and its subsidiaries together referred to as 'the Group') and its associate comprising the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity 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').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditors on separate financial statements of a subsidiary as was audited by the other auditors, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at 31st March, 2022, its Consolidated Loss and Consolidated Other Comprehensive Income, Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the other matters paragraph below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
<p><u>Hedge accounting and the related disclosures for currency derivatives:</u></p> <p>We identified the hedge accounting for currency derivatives and the adequacy of the related disclosures as a key audit matter because the evaluation of hedge effectiveness involved management's judgement and estimation.</p> <p>Besides, the changes in fair values of these currency derivatives also had a significant impact on the consolidated financial statements.</p> <p>As disclosed in note 51 to the consolidated financial statements, the Group was exposed to currency risk primarily arising from Foreign currency denominated Trade Receivables, Trade Payable and loans</p>	<p><u>Principal audit procedures performed:</u></p> <ul style="list-style-type: none"> • Obtaining an understanding of and testing the design and implementation and operating effectiveness of the management's controls over the valuation of currency derivatives and hedge accounting of holding company. • Inspecting the hedge documentations and contracts and evaluating the management's determination of mark to market valuations and assessment of hedge effectiveness, on a sample basis, to evaluate the accounting for these currency derivatives in accordance with the requirements of the relevant Indian Accounting Standards. • Obtaining confirmations from contract counterparties to verify the existence of each currency derivative held at 31st March, 2022. • Reperforming mark-to-market valuations on a sample basis to evaluate the reasonability of fair values of the currency derivatives and the hedge effectiveness thereof has been appropriately determined by the management; and • Assessed the adequacy of the disclosures in respect of the currency derivatives and hedge accounting in accordance with the disclosure requirements of Ind AS 107-Financial Instruments: Disclosures, Ind AS 113- Fair Value Measurement.

Information Other than the Financial Statement and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the preparation & presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Cash Flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors /management of the companies included in the Group, and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the group and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the group & its associates to continue as a going concern. If we conclude that a material uncertainty exists,

we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group & its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group & its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial Statement of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements of five overseas subsidiaries and four local subsidiaries, whose financial statements reflect total assets of Rs 19,814.72 lacs as at 31st March, 2022, total revenues of Rs. 20,517.79 lacs and net cash inflows amounting to Rs.1,301.30 lacs for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

We have relied on the audited financial statements of both the associates wherein the group's share of Net Loss aggregate to Rs 3,167.02 lacs. These financial statements have been audited by other auditor whose financial information and auditor's report have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts & disclosures included in respect of these associates is based solely on the reports of such other auditors.

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section 3 of Section 143 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.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, 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 Indian Accounting Standards (Ind As) specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of

its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March, 2022 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Holding Company and its Indian Subsidiaries to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditors' 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 & its associates.
 - ii) The provision has been made in the Consolidated Financial Statement as required under the applicable law or Ind As, for material foreseeable losses, if any, on long term contracts including derivatives contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
 - iv)
 - a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v) No dividend has been declared or paid during the year by the holding Company or its subsidiaries

for K A S G & CO.
Chartered Accountants
Firm's Registration No. 002228C

R. B.Sharma
Partner
Mem. No. 075701
UDIN: 22075701AJWCEV9015

Gurugram, 30th May, 2022

Annexure A

To the Independent Auditor's report on the consolidated financial statements of Bhartiya International Limited for the year ended 31st March, 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) According to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have certain remarks included in their reports under Companies (Auditor's Report) Order, 2020 ("CARO"), which have been reproduced as per the requirements of the Guidance Note on CARO:

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary	Clause number of the CARO report
1	Bhartiya International Ltd	L748997N1987PLC111744	Holding Company	Clause (i)(c)

* This clause pertains to title deeds of certain immovable properties not held in the name of the respective companies.

for K A S G & CO.
Chartered Accountants
Firm's Registration No. 002228C

R. B.Sharma
Partner
Mem. No. 075701
UDIN: 22075701AJWCEV9015

Gurugram, 30th May, 2022

ANNEXURE B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of Bhartiya International Limited ('the Holding Company') and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness

exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

for K A S G & CO.
Chartered Accountants
Firm's Registration No. 002228C

R. B.Sharma
Partner
Mem. No. 075701
UDIN: 22075701AJWCEV9015

Gurugram, 30th May, 2022

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022**Rs. in Lakhs**

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I Assets			
1 Non - Current Assets			
(a) Property, Plant and Equipment	5	12,396.88	10,526.92
(b) Capital Work-in-Progress	5.1	811.52	836.88
(c) Right to Use Asset	5.2	1,119.72	1,020.60
(d) Investment in Property	6	529.40	540.31
(e) Goodwill		25.25	25.25
(f) Intangible Assets	7	5,309.13	6,611.07
(g) Investments Accounted for using Equity Method	8	587.23	3,754.25
(h) Financial Assets			
(i) Investments	9	35.01	35.01
(ii) Other financial Assets	10	197.62	226.13
(i) Deferred Tax Assets		-	23.60
(j) Other Non-Current Assets	11	75.54	62.64
2 Current Assets			
(a) Inventories	12	46,392.46	42,096.95
(b) Financial Assets			
(i) Investments	13	-	-
(ii) Trade Receivables	14	12,978.36	14,019.68
(iii) Cash and Cash Equivalents	15	3,325.82	1,720.25
(iv) Bank Balances other than Cash & Cash Equivalents	16	4,268.82	2,201.13
(v) Loans	17	112.81	95.72
(vi) Others Financial Assets	18	3,382.92	3,097.43
(c) Current Tax assets (net)		192.76	339.61
(d) Other Current Assets	19	2,547.19	3,066.24
TOTAL ASSETS		94,288.44	90,299.67
II Equity and Liabilities			
1 Equity			
(a) Equity Share Capital	20	1,220.71	1,220.24
(b) Other Equity	21	31,105.35	32,811.74
2 Liabilities			
Non - Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	16,511.09	12,285.75
(ii) Lease Liability		628.21	486.66
(iii) Other Financial Liabilities	23	156.97	129.37
(b) Provisions	24	45.16	41.52
(c) Other Non-Current Liabilities	25	122.26	133.74
(d) Deferred Tax Liabilities		751.02	589.40
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	30,547.95	30,778.24
(ii) Lease Liability		99.82	103.14
(iii) Trade payables	27		
- Total outstanding dues of micro enterprises and small enterprises		488.99	533.17
- Total outstanding dues of creditors other than micro enterprises and small enterprises		11,262.84	9,706.86
(iv) Other Financial Liabilities	28	928.71	891.75
(c) Provisions	29	285.72	357.07
(d) Other Current Liabilities	30	130.97	118.36
(e) Current Tax Liabilities (Net)		2.67	112.66
TOTAL OF EQUITY AND LIABILITIES		94,288.44	90,299.67
Significant Accounting Policies	4		
The accompanying notes are an integral part of the financial statements	1 to 53		

As per our report of even date attached

For K A S G & CO.Chartered Accountants
Firm Reg. No. 002228C**For and on behalf of the Board****R.B.Sharma**Partner
Mem. No. 075701**Yogesh Kumar Gautam**

Company Secretary

Raj Kumar Chawla

Chief Financial Officer

Manoj KhattarWhole Time Director
DIN: 00694981**Ramesh Bhatia**Director
DIN: 0052320

Gurugram, 30th May, 2022

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Rs. in Lakhs

Particulars	Note No.	Year Ended 31st March, 2022	Year Ended 31st March, 2021
INCOME			
Revenue from Operations	31	69,350.95	54,839.35
Other Income	32	3,217.40	495.09
Total Income		<u>72,568.35</u>	<u>55,334.44</u>
EXPENSES			
Cost of material consumed	33	32,001.99	21,061.83
Purchases of Stock-in-Trade		12,024.37	11,699.60
Change in Inventories of Finished Goods	34	(1,753.80)	380.17
Employee Benefits Expense	35	5,164.67	4,607.39
Finance Costs	36	2,327.53	2,385.98
Depreciation and Amortization Expense	37	2,380.63	1,033.49
Other expenses	38	18,366.37	13,867.95
Total Expenses		<u>70,511.76</u>	<u>55,036.41</u>
Profit/ (Loss) before Share of net Profit/(Loss) of Associate		2,056.59	298.03
Share of net profit/(Loss) of Associates		(3,167.02)	(887.33)
III Profit/ (Loss) before exceptional Items and Tax		<u>(1,110.43)</u>	<u>(589.30)</u>
Exceptional Items		-	-
Profit / (Loss) before Tax		<u>(1,110.43)</u>	<u>(589.30)</u>
Tax Expenses	39		
I Current Tax		369.49	33.78
ii Deferred Tax		176.51	(5.41)
Profit / (Loss) for the year (A)		<u>(1,656.43)</u>	<u>(617.67)</u>
Other Comprehensive Income			
Items that will not be Reclassified to profit or Loss			
Remeasurements of the defined benefit plans		33.96	34.63
Income tax relating to above items		(8.70)	(8.87)
Total Other Comprehensive Income for the Year (B)		<u>25.26</u>	<u>25.76</u>
Total Comprehensive Income for the Year		<u>(1,631.17)</u>	<u>(591.91)</u>
Profit Attributable to :			
Owners		(1,653.02)	(614.66)
Non-controlling Interests		(3.41)	(3.01)
Other Comprehensive income Attributable to :			
Owners		25.26	25.76
Non-controlling Interests		-	-
Total Comprehensive income Attributable to :			
Owners		(1,623.76)	(588.90)
Non-controlling Interests		(3.41)	(3.01)
Earnings per equity share of face value			
Basic (in Rupees)		(13.33)	(4.82)
Diluted (in Rupees)		(13.31)	(4.83)
Significant Accounting Policies	4		
The accompanying notes are an integral part of the financial statements	1 to 53		

As per our report of even date attached

For K A S G & CO.
Chartered Accountants
Firm Reg. No. 002228C

For and on behalf of the Board

R.B.Sharma
Partner
Mem. No. 075701

Yogesh Kumar Gautam
Company Secretary

Raj Kumar Chawla
Chief Financial Officer

Manoj Khattar
Whole Time Director
DIN: 00694981

Ramesh Bhatia
Director
DIN: 0052320

Gurugram, 30th May, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

Equity Share Capital	Rs. in Lakhs										
Particulars	Notes										Amount
Balance as at 31st March, 2020											1,220.19
Change in equity share capital during the year 2020-21											20.01
Balance as at 31st March, 2021											1,220.24
Change in equity share capital during the year 2021-22											20.01
Balance as at 31st March, 2022											1,220.71
Other Equity (Refer note no. 21)											
Particulars	Share application money pending for allotment	Employee Stock Options outstanding	Preferential share Warrant Forfeited	" Non-controlling Interest "	Foreign Currency Transition Reserve (FCTR)	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income(defined benefit plan)	Total
Balance as at 31st March, 2020	-	230.97	925.75	145.97	696.00	8,470.77	7,834.46	3,506.53	11,623.63	21.68	33,455.76
Profit for the year	-	-	-	(3.01)	-	-	-	-	(614.66)	-	(617.67)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	25.76	25.76
Securities premium on issue of share	-	-	-	-	-	-	2.35	-	-	-	2.35
Transfer to Security premium on issue of share	-	(2.15)	-	-	-	-	-	-	-	-	(2.15)
Transfer from ESOP	-	(118.85)	-	-	-	-	-	118.85	-	-	-
Currency Fluctuation Reserve	-	-	-	-	(52.68)	-	-	-	-	-	(52.68)
Money Received during the year	0.37	-	-	-	-	-	-	-	-	-	0.37
Balance as at 31st March, 2021	0.37	109.97	925.75	142.96	643.32	8,470.77	7,836.81	3,625.38	11,008.97	47.44	32,811.74
Profit for the year	-	-	-	(3.41)	-	-	-	-	(1,653.02)	-	(1,656.43)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	25.26	25.26
Transfer to Security premium on issue of share	-	-	-	-	-	-	22.43	-	-	-	1.90
Transfer from ESOP	(0.37)	(20.53)	-	-	-	-	-	-	-	-	(0.37)
Currency Fluctuation Reserve	-	-	-	-	(76.75)	-	-	-	-	-	(76.75)
Balance as at 31st March, 2020	-	89.44	925.75	139.55	566.57	8,470.77	7,859.24	3,625.38	9,355.95	72.70	31,105.35

As per our report of even date attached

For K A S G & CO.

Chartered Accountants

Firm Reg. No. 002228C

R.B.Sharma

Partner

Mem. No. 075701

Gurugram, 30th May, 2022

Yogesh Kumar Gautam

Company Secretary

Raj Kumar Chawla

Chief Financial Officer

Manoj Khattar

Whole Time Director

DIN: 00694981

Ramesh Bhatia

Director

DIN: 0052320

For and on behalf of the Board

**CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31ST MARCH, 2022**

Rs. in Lakhs

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax as per statement of Profit and loss	(1,110.43)	(589.30)
<i>Adjustment for :</i>		
Share of (profit)/loss of Associates	3,167.02	887.33
Finance Cost	2,327.53	2,385.98
Depreciation and Amortisation Expenses	2,380.63	1,033.49
Loss/(Profit) on sale of Fixed Assets (net)	0.02	6.24
Rental Income	(291.09)	(300.00)
Dividend Income	-	-
Interest Income	(8.33)	(8.82)
Government Grant Income	(4.44)	(4.17)
Operating Profit/(Loss) before Working Capital Changes	6,460.91	3,410.75
<i>Movements in Working Capital:</i>		
Increase/ (decrease) in trade payables	1,511.80	2,520.51
Increase/ (decrease) in other financial liabilities	68.93	(425.13)
Increase/ (decrease) in other liabilities	5.58	(106.24)
Increase/ (decrease) in provisions	(33.75)	(28.98)
Decrease/ (increase) in inventories	(4,295.51)	598.85
Decrease/ (increase) trade receivables	1,041.32	(1,390.61)
Decrease/ (increase) in loan	(17.09)	(2.18)
Decrease/ (increase) in other current financial assets	(285.49)	(270.32)
Decrease/ (increase) in other current assets	519.05	(1,141.53)
Decrease/ (increase) in other non-current assets	(3.27)	(5.27)
Decrease/ (increase) in other non-current financial assets	28.51	-
Cash (used in) / Generated from Operations	5,000.99	3,159.85
Income tax paid (Net)	(332.63)	(467.84)
Currency Fluctuation reserve consolidation	(76.75)	(52.68)
Net Cash (used in)/ Generated from Operating Activities - (A)	4,591.61	2,639.33
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(2,821.62)	(1,703.60)
Capital advance/Capital creditors (net)	(14.00)	29.02
Proceeds from sale of fixed assets	45.51	4.12
Purchase of non current investments(net)	-	-
Security deposit	-	33.48
Rental Income	291.09	300.00
Interest Income	8.33	8.82
Fixed Deposit with Bank	(2,067.69)	(1,034.26)
Net Cash from/ (used in) Investing Activities - (B)	(4,558.38)	(2,362.42)

CONSOLIDATED STATEMENT OF CASH FLOW (CONTD.)

Rs. in Lakhs

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of long-term borrowings (net)	5,153.62	7,461.62
Proceeds from short-term borrowings (net)	(1,158.57)	(8,490.37)
Payment of lease Liability	(148.86)	(128.33)
Share Capital including securities premium	2.01	0.62
Interest and processing fees paid (net)	(2,275.86)	(2,335.08)
Net cash from/ (used in) financing activities - (C)	<u>1,572.34</u>	<u>(3,491.54)</u>
Net increase/ (decrease) in cash and cash equivalents - (A+B+C)	1,605.57	(3,214.63)
Cash and cash equivalents as at beginning of the year	1,720.25	4,934.88
Cash and cash equivalents as at the end of the year	<u>3,325.82</u>	<u>1,720.25</u>
Components of cash and cash equivalents:		
Cash on Hand	22.44	36.07
Balances with scheduled banks:		
In current Accounts	3,225.28	1,629.19
In deposit Accounts	78.10	54.99
Cash and cash equivalents in cash flow statement	<u>3,325.82</u>	<u>1,720.25</u>

As per our report of even date attached

For K A S G & CO.
Chartered Accountants
Firm Reg. No. 002228C

R.B.Sharma
Partner
Mem. No. 075701

Yogesh Kumar Gautam
Company Secretary

Raj Kumar Chawla
Chief Financial Officer

For and on behalf of the Board

Manoj Khattar
Whole Time Director
DIN: 00694981

Ramesh Bhatia
Director
DIN: 0052320

Gurugram, 30th May, 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Bhartiya International Limited ('the Holding Company') is a Public Limited Company with domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The Holding Company and its subsidiaries (hereinafter referred to as "the Group") is engaged in the business of manufacturing and trading of leather products & textile products. The Holding Company has its registered office at Chennai and its corporate office at Gurugram, Haryana.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015.

The consolidated financial statements have been prepared on the historical cost basis except the certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies.

Based on the nature of products/activities and the time between acquisition of assets and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

3. Principles of Consolidation

The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

Profits or losses resulting from intra-group transactions that are recognised in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve (FCTR).

Goodwill represents the difference between the Company's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries.

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 Ind AS.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.

Investment in Associates has been accounted under the Equity Method as per Ind AS 28 – Investments in Associates.

The Group accounts for its share of post-acquisition changes in net assets of associates after eliminating unrealised profits and losses resulting from transactions between the Group and its associates.

Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.

Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Property, Plant and Equipment

Freehold land is carried at cost. All other items of property, plant and equipment and Capital work in progress (including Pre-operative expenses) are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

Depreciation is charged on a pro-rata basis at the straight-line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II.

Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

4.2 Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured at its cost, including related transaction costs and applicable borrowing costs less depreciation and impairment if any.

Depreciation is charged on a pro-rata basis at the straight-line method over estimated economic useful lives of building generally in accordance with that provided in the Schedule II of the Companies Act.

4.3 Intangible Assets

Intangible Assets are stated at cost of acquisition inclusive of incidental expenses related to acquisition. All related revenue expenditure including borrowing cost during the period of development forms part of value of assets capitalized.

Computer software are amortized using the straight Line Method over the period of three years.

Amortization of Intangible Assets-Brand at the overseas subsidiary are as per the rate applicable based on the useful life of assets.

4.4 Lease

Effective from 1st April, 2019, the Company adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing as on 1st April, 2019 using the modified retrospective method on the date of initial application i.e. 1st April, 2019.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use Assets (ROU Assets)

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

(iii) Short-Term Leases and Leases of Low-Value Assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

4.5 Inventories

Raw materials and consumables have been valued at cost after providing for obsolescence. Cost comprise of cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis. Finished goods are value at cost or net realisable value whichever is lower. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

4.6 CASH & CASH EQUIVALENTS

The Group cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Group cash management system. In the balance sheet, bank overdrafts are presented under other current liabilities.

4.7 Employee Benefits

Defined Contribution Plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

Defined Benefit Plan

Gratuity is a defined benefit obligation. The Group accounts for the gratuity liability, based upon the actuarial valuation performed in accordance with the Projected Unit Credit method carried out at the year end, by an independent actuary.

Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

4.8 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial Assets are subsequently classified as measured at

- Amortised Cost
- Fair Value through profit and loss (FVTPL)
- Fair Value through other comprehensive income (FVOCI).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at Amortised Cost:

Financial Assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(b) Measured at Fair Value through other Comprehensive Income:

Financial Assets that are held within a business model whose Objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair Value movements are recognized in the other comprehensive income (OCI). On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) Measured at Fair Value through Profit or Loss:

A financial Asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value, the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair Value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent Measurement

Financial Liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans and Borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Trade and Other Payable

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Derivative Instruments:

The Group enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. These contracts are initially recognised at fair value and subsequently, at the end of each reporting period, re-measured at their fair values on reporting date. The resulting gain or loss is recognised in profit or loss in the same line as the movement in the hedged exchange rate.

4.9 PROVISION AND CONTINGENT LIABILITIES

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

4.10 REVENUE RECOGNITION

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue from Services

Revenue from services is recognised in the accounting period in which the services are rendered.

Other Operating Revenue - Export Incentives

"Export Incentives under various schemes are accounted in the year of export.

INTEREST INCOME

Interest income is recognized using the effective interest rate (EIR) method

DIVIDEND INCOME

Dividend Income on investments is recognised when the right to receive dividend is established.

4.11 Foreign Currency Translation

Transactions in foreign currencies are initially recorded in functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

4.12 Income Tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in other comprehensive income.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Deferred Tax

Deferred Tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The Group offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

4.13 Earning per Share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

4.14 Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

4.15 Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on a straight - line basis over the expected lives of related assets and presented within other income.

4.16 Share Based Payment

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

4.17 Critical Estimates and Judgements -

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The Areas involving Critical Estimates or Judgement are:

Estimation of Defined benefit obligation

Estimation of current tax expenses and Payable

Useful lives of depreciable assets

Provision and contingent liability

Carry value of investment in associates

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**5. PROPERTY, PLANT AND EQUIPMENT****Rs. in Lakhs**

Particulars	LAND		OTHER THAN LAND					Total
	Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computer Equipment	
Gross Carrying Amount								
Balance as at 31st March, 2020	255.70	5,270.48	6,371.60	590.40	236.09	399.99	210.08	13,334.34
Addition	-	301.36	219.93	42.91	-	19.81	9.67	593.68
Disposal			23.66		13.78	0.85	2.79	41.08
Balance as at 31st March, 2021	255.70	5,571.84	6,567.87	633.31	222.31	418.95	216.96	13,886.94
Addition	-	908.61	911.47	785.61	132.18	38.61	45.41	2,821.89
Disposal	-	-	15.57	0.01	84.34	-	-	99.92
Balance as at 31st March, 2022	255.70	6,480.45	7,463.77	1,418.91	270.15	457.56	262.37	16,608.91
Accumulated Depreciation								
Balance as at 31st March, 2020	-	621.49	1,283.41	223.82	101.44	189.29	155.79	2,575.24
Addition	-	169.04	456.62	80.50	28.30	50.61	29.55	814.62
Disposal			14.34		12.15	0.71	2.64	29.84
Balance as at 31st March, 2021	-	790.53	1,725.69	304.32	117.59	239.19	182.70	3,360.02
Addition	-	179.77	462.43	156.99	31.81	45.59	22.38	898.97
Disposal	-	-	7.89		39.07			46.96
Balance as at 31st March, 2022	-	970.30	2,180.23	461.31	110.33	284.78	205.08	4,212.03
Net carrying amount								
Balance as at 31st March, 2021	255.70	4,781.31	4,842.18	328.99	104.72	179.76	34.26	10,526.92
Balance as at 31st March, 2022	255.70	5,510.15	5,283.54	957.60	159.82	172.78	57.29	12,396.88

a) Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance Sheet	Description of item of Property	Gross Carrying Value	Title deeds held in the Name of	Whether title deed holder is a promoter or director or Relative of Promoter Director	Property held since which date	Reason for not being held in the name of the company
PPE	Building	18.50	Pardeep Goyal	Relative of Director	12.08.2000	Due to issue in Registration

- b) All immovable property is held in the name of company except mentioned above.
c) The company has not revalued its Property, Plant and Equipment during the current reporting period.
d) The company does not hold any Benami Property and does not have any proceedings initiated or pending for holding benami property under the Benami Transactions (Prohibitions) Act, 1988.

5.1 Capital Work in Progress**Rs. in Lakhs**

31st March, 2021	836.88
31st March, 2022	811.52

5.1.1 Ageing of Capital Work-in-Progress ageing

	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
31-March-2022					
Projects in Process	811.52	-	-	-	811.52
31-March-2021					
Projects in Process	836.88	-	-	-	836.88

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**5.2 RIGHT OF USE ASSETS**

Particulars	Rs. in Lakhs		
	Land	Building	Total
Balance as at 31st March, 2020	532.34	689.06	1,221.40
Addition	-	45.13	45.13
Disposal/Adjustment	-	50.05	50.05
Balance as at 31st March, 2021	532.34	684.14	1,216.48
Addition	-	235.41	235.41
Disposal/Adjustment	-	27.07	27.07
Balance as at 31st March, 2022	532.34	892.48	1,424.82
Accumulated Depreciation			
Balance as at 31st March, 2020	12.64	101.85	114.49
Addition	12.64	118.80	131.44
Disposal/Adjustment	-	50.05	50.05
Balance as at 31st March, 2021	25.28	170.60	195.88
Addition	12.64	123.65	136.29
Disposal/Adjustment	-	27.07	27.07
Balance as at 31st March, 2022	37.92	267.18	305.10
Net carrying amount			
Balance as at 31st March, 2021	507.06	513.54	1,020.60
Balance as at 31st March, 2022	494.42	625.30	1,119.72

6. INVESTMENT PROPERTIES

Particulars	Land & Building
Gross Carrying Amount	
Balance as at 31st March, 2020	594.85
Addition	
Disposal	
Balance as at 31st March, 2021	594.85
Addition	
Disposal	
Balance as at 31st March, 2022	594.85
Accumulated Depreciation	
Balance as at 31st March, 2020	43.63
Addition	10.91
Disposal	
Balance as at 31st March, 2021	54.54
Addition	10.91
Disposal	
Balance as at 31st March, 2022	65.45
Net Carrying Amount	
Balance as at 31st March, 2021	540.31
Balance as at 31st March, 2022	529.40
Fair Value	
As at 31st March, 2021	3,224.05
As at 31st March, 2022	3,434.68

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

6.1 Particulars	Rs. in Lakhs	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Rental income derived from investment properties	253.35	253.35
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Income arising from investment properties before depreciation	<u>253.35</u>	<u>253.35</u>
Depreciation	10.91	10.91
Income from investment properties (Net)	<u>242.44</u>	<u>242.44</u>

6.2 Maturity Analysis of Lease Payments to be received in aggregate & each of following year:

Particulars	As at	
	31st March, 2022	31st March, 2021
Not later than one year	258.24	235.35
Later than one year and not later than five years	1,061.51	986.57
Later than five years	441.09	699.47

6.3 Estimation of Fair Value

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in village/city area.

This valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 fair value hierarchy.

7. INTANGIBLE ASSETS

Particulars	Rs. in Lakhs			
	Goodwill	Computer Software	Brand/ Patent	Total
Gross Carrying amount				
Balance as at 31st March, 2020	7.99	323.28	-	331.27
Addition	-	9.58	6,611.33	6,620.91
Disposal	-	-	-	-
Balance as at 31st March, 2021	<u>7.99</u>	<u>332.86</u>	<u>6,611.33</u>	<u>6,952.18</u>
Addition	-	32.52	-	32.52
Disposal	-	-	-	-
Balance as at 31st March, 2022	<u>7.99</u>	<u>365.38</u>	<u>6,611.33</u>	<u>6,984.70</u>
Accumulated Depreciation				
Balance as at 31st March, 2020	7.99	256.61	-	264.60
Addition	-	30.39	46.12	76.51
Disposal	-	-	-	-
Balance as at 31st March, 2021	<u>7.99</u>	<u>287.00</u>	<u>46.12</u>	<u>341.11</u>
Addition	-	21.42	1,313.04	1,334.46
Disposal	-	-	-	-
Balance as at 31st March, 2022	<u>7.99</u>	<u>308.42</u>	<u>1,359.16</u>	<u>1,675.57</u>
Net Carrying Amount				
Balance as at 31st March, 2021	-	45.86	6,565.21	6,611.07
Balance as at 31st March, 2022	-	56.96	5,252.17	5,309.13

- a) There are no intangible assets under development in the company during the current reporting period.
- b) The Company has not revalued its intangible Assets during the current reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**8. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD** **Rs. in Lakhs**

Particulars	No. of		As at	
	Shares/Units	31st March, 2022	Shares/Units	31st March, 2021
Investments in Associates (Unquoted at Cost)				
(a) Investment in Associate Company #				
Equity Shares	34,393,260	587.23	34,393,260	3,754.25
		<u>587.23</u>		<u>3,754.25</u>
#Particulars of Investment in Associate Company				
A) Bhartiya Urban Pvt. Ltd. (Formerly known as Bhartiya City Developers Pvt. Ltd.				
% of ownership interest		36.77%		36.77%
Cost of Acquisition		3,999.60		3,999.60
Share of Reserves & Surplus		(3,411.69)		(244.67)
Carrying Value		<u>587.91</u>		<u>3,754.93</u>
B) Tada Mega Leather Cluster Pvt. Ltd.				
% of ownership interest		50.00%		50.00%
Cost of Acquisition		0.50		0.50
Share of Post Acquisition Reserves & Surplus		(1.18)		(1.18)
Carrying Value		<u>(0.68)</u>		<u>(0.68)</u>
Total (A+B)		<u>587.23</u>		<u>3,754.25</u>

9. NON-CURRENT INVESTMENTS

Particulars	As on 31st March, 2022		As on 31st March, 2021	
	Units/ Share (No.)	Amount (Rs.)	Units/ Share (No.)	Amount (Rs.)
A) Investments in Mutual Funds (Unquoted)				
At Fair value through Profit and loss				
i) Reliance ETF Liquid BeES	1.124	0.01	1.124	0.01
		<u>0.01</u>		<u>0.01</u>
B) Investments in Equity Shares (Unquoted)				
At Fair Value through Profit and Loss				
i) Pallavaram Tanners Industrial Effluent Treatment co. Ltd.	31,525	35.00	31,525	35.00
Total (A+B)		<u>35.01</u>		<u>35.01</u>
Aggregate amount of unquoted Investments		35.01		35.01
Aggregate amount of impairment in value of unquoted Investments		-		-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**10. OTHER NON FINANCIAL CURRENT ASSETS****Rs. in Lakhs**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(Unsecured & Considered Good)		
(a) Security and Other Deposits	166.74	196.90
(b) Other Advance	30.88	29.23
TOTAL	<u>197.62</u>	<u>226.13</u>

11. OTHER NON CURRENT ASSETS

(a) Capital Advances	47.48	37.85
(b) Security Deposit with Govt. Authority	8.63	8.63
(c) Prepaid Expenses	4.85	0.60
(d) Prepayment Lease Rent	14.58	15.56
TOTAL	<u>75.54</u>	<u>62.64</u>

12. INVENTORIES

(a) Raw Materials	28,341.09	27,889.02
(b) Raw Materials -In transit	188.33	87.86
(c) Stock-in-Progress	1,099.39	651.46
(d) Finished Goods	11,145.69	9,839.82
(e) Consumable Store	5,617.96	3,628.79
TOTAL	<u>46,392.46</u>	<u>42,096.95</u>

13. CURRENT INVESTMENT

Particulars	As at 31st March, 2022		As on 31st March, 2021	
	Shares (No)	Amount (Rs)	Shares (No)	Amount (Rs)
A) Investment In Equity Instrument (Unquoted)				
At Fair value through Profit and Loss				
i) Sai Rayalaseema Paper Mills Ltd.	31,792	-	31,792	-
	-	-	-	-
Aggregate Amount of Unquoted Investments	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**14. TRADE RECEIVABLES****Rs. in Lakhs**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(Unsecured, considered good)		
(a) Trade Receivable	12,978.36	14,019.68
(b) Receivable from related parties		-
TOTAL	12,978.36	14,019.68

Trade receivable ageing schedule for the year ended as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed -Trade Receivable Considered Good	11,046.32	883.24	468.32	580.48	-	12,978.36
Total	11,046.32	883.24	468.32	580.48	-	12,978.36

Trade receivable ageing schedule for the year ended as on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed -Trade Receivable Considered Good	12,895.69	471.21	652.78	-	-	14,019.68
Total	12,895.69	471.21	652.78	-	-	14,019.68

15. CASH AND CASH EQUIVALENT

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) Balances with Banks		
In current accounts	3,225.28	1,629.19
In deposit accounts	78.10	54.99
b) Cash on Hand	22.44	36.07
TOTAL	3,325.82	1,720.25

16. BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

a) Fixed Deposit with the bank	4,262.90	2,194.01
b) Unclaimed dividend accounts	5.92	7.12
TOTAL	4,268.82	2,201.13

16.1 Fixed deposits of Rs. 4,262.89 Lacs (previous year Rs 2,194.01 Lacs) are pledged with the banks for various limits and facilities granted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

Particulars	Rs. in Lakhs	
	As at 31st March, 2022	As at 31st March, 2021
17. CURRENT LOAN		
(Unsecured & Considered Good)		
(a) Loan to Employee	112.81	95.72
TOTAL	<u>112.81</u>	<u>95.72</u>
18. OTHER CURRENT FINANCIAL ASSETS		
a) Export incentive Receivable	1,473.54	1,779.74
b) Insurance claim Receivable	132.57	132.57
c) Vat /GST Receivable	1,556.94	1,038.32
d) Other Advance	2.87	51.72
e) Derivatives-Foreign Exchange Forward Contract	96.35	21.65
f) Security and Other Deposits	120.65	73.43
TOTAL	<u>3,382.92</u>	<u>3,097.43</u>
18.1 The company's claim of drawback amounting to Rs.33.63 lakhs has been disputed by the commissioner of customs (exports) with the joint secretary(RA), ministry of finance, department of revenue, Govt. of India New Delhi, against the favorable order in appeal by the commissioner of custom (Appeals). The management is confident for the recovery of said amount and hence has not made any provision for bad & doubtful debts against this.		
18.2 Insurance claim receivable amounting to Rs.132.57 lacs is pending since, 2019. During the year draft assessment of claim shared by the insurance company reflects assessed loss of Rs.38.87 Lacs. Which was not accepted by the company. Management is confident for recovery of insurance claim by full amount and hence has not made any provision for bad & doubtful debts.		
19. OTHER CURRENT ASSETS		
a) Advances with Suppliers	2,100.51	2,614.20
b) Prepaid Expenses	401.18	414.58
c) Mat Credit Entitlement	17.02	14.55
d) Other Advances	27.49	22.00
e) Prepayment Lease Rent	0.99	0.91
TOTAL	<u>2,547.19</u>	<u>3,066.24</u>
20. SHARE CAPITAL		
Authorised Share Capital		
a) 20,000,000 (31st March, 2021: 20,000,000) Equity Shares of Rs. 10/- each	2,000.00	2,000.00
b) 500,000 (31st March, 2021: 500,000) Preference Shares of Rs. 100/- each	500.00	500.00
	<u>2,500.00</u>	<u>2,500.00</u>
Issued, Subscribed & Paid up :		
a) 12,207,129 (31st March, 2021: 12,202,369) Equity Shares of Rs.10/- each fully paid Up.	1,220.71	1,220.24
TOTAL	<u>1,220.71</u>	<u>1,220.24</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**Rs. in Lakhs**

20.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,22,02,369	1,220.24	1,22,01,869	1,220.19
Shares Issued during the year	4,760	0.47	500	0.05
Shares outstanding at the end of the year	1,22,07,129	1,220.71	1,22,02,369	1,220.24

20.2 The details of Shareholders holding more than 5% shares

Name of the Share Holders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
(a) Snehdeep Aggarwal	11,43,362	9.37	11,43,362	9.37
(b) Bhartiya Infotech Pvt. Ltd.	10,10,000	8.27	10,10,000	8.28
(c) Bhartiya Global Ventures Pvt. Ltd.	30,47,100	24.96	30,47,100	24.97
(d) Bhartiya Advisory Services Pvt. Ltd.	6,81,913	5.59	6,81,913	5.59
(e) TIMF Holdings	7,06,474	5.79	7,06,474	5.79

20.3 Shares Reserved for issue under options

Particulars	As at	As at
	31st March, 2022 No. of Shares	31st March, 2021 No. of Shares
a) Under 2013 employee stock option plan : Equity share of Rs.10/- each, at an exercise price of Rs.50/- per share	20,751	25,511

20.4 Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date, wherever applicable is given below:

Rs. in Lakhs

Particulars	31st	31st	31st	31st	31st
	March, 2022	March, 2021	March, 2020	March, 2019	March, 2018
Shares issued during the period of five years immediately preceding the reporting date on exercise of option granted under the Employee Stock Option Plan (ESOP) wherein part consideration was received in form of employee services.	4,760	500	7,695	12,920	40,309

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**Share held by promoter at 31st March, 2022****Rs. in Lakhs**

Promoter Name	No. of Shares	% of Total Shares	% Change during the year
Snehdeep Aggarwal	11,43,362	9.37%	-
Ramesh Bhatia	3,40,250	2.79%	-
Promoters Group			
Arjun Aggarwal	4,96,150	4.06%	-
Kanwal Aggarwal	1,90,374	1.56%	-
Snehdeep Aggarwal HUF	50,000	0.41%	-
Parushni Aggarwal	7,500	0.06%	-
Pawan Aggarwal	5,000	0.04%	-
Bhartiya Global Venture Private Ltd.	30,47,100	24.96%	-
Bhartiya Infotech Private Ltd.	10,10,000	8.27%	-
Bhartiya Advisory Services Private Ltd.	6,81,913	5.59%	-
R.L Bhatia Associates Private Ltd.	30,000	0.25%	-

20.5 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. 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.

20.6 During the Year, the company has allotted 4760 Equity share of Rs. 10/- each fully paid to its employees under Employee Stock Option Plan (ESOP 2013).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

Particulars	Reserves and Surplus										Total
	Share application money pending for allotment	Employee Stock Options outstanding	Preferential share Warrant Forfeited	" Non-controlling Interest "	Foreign Currency Translation Reserve (FCTR)	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income(defined benefit plan)	
Balance as at 31st March, 2020	-	230.97	925.75	145.97	696.00	8,470.77	7,834.46	3,506.53	11,623.63	21.68	33,455.76
Profit for the year	-	-	-	(3.01)	-	-	-	-	(614.66)	-	(617.67)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	25.76	25.76
Securities premium on issue of share	-	-	-	-	-	-	2.35	-	-	-	2.35
Transfer to Security premium on issue of share	-	(2.15)	-	-	-	-	-	-	-	-	(2.15)
Transfer from ESOP	-	(118.85)	-	-	-	-	-	118.85	-	-	-
Currency Fluctuation Reserve	-	-	-	-	(52.68)	-	-	-	-	-	(52.68)
Money Received during the year	0.37	-	-	-	-	-	-	-	-	-	0.37
Balance as at 31st March, 2021	0.37	109.97	925.75	142.96	643.32	8,470.77	7,836.81	3,625.38	11,008.97	47.44	32,811.74
Profit for the year	-	-	-	(3.41)	-	-	-	-	(1,653.02)	-	(1,656.43)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	25.26	25.26
Transfer to Security premium on issue of share	-	(20.53)	-	-	-	-	22.43	-	-	-	1.90
Transfer from ESOP	(0.37)	-	-	-	-	-	-	-	-	-	(0.37)
Currency Fluctuation Reserve	-	-	-	-	(76.75)	-	-	-	-	-	(76.75)
Balance as at 31st March, 2022	-	89.44	925.75	139.55	566.57	8,470.77	7,859.24	3,625.38	9,355.95	72.70	31,105.35

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**22. NON-CURRENT BORROWINGS****Rs. in Lakhs**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured		
- Term Loans from Banks	16,444.33	12,268.58
- Vehicle Loans from Banks	66.76	17.17
TOTAL	<u>16,511.09</u>	<u>12,285.75</u>

Above total is net of Installments falling due within a year in respect of all the above Loans aggregating of Rs. 2,889.40 lakhs (31st March, 2021 Rs. 1961.12 Lakhs) that have been grouped under "Current Borrowing". (Refer note no. 26).

Nature of security and terms of repayment for long term secured borrowings:

	Nature of Security	Terms of Repayment
22.01	Term Loans from HDFC Bank, balance outstanding amounting to Rs NIL (31st March, 2021 Rs. 43.41 lacs) is secured by Exclusive charge on the Machinery funded and personal guarantee of one of the Director.	The Loan is repayable in 15 Quarterly Installment starting from September 2017. Last installment due in June 2021. Rate of interest 8.80 % p.a. as at year end (previous year - 10.25 %)
22.02	Term Loans from HDFC Bank, subsequent disbursement, balance outstanding amounting to Rs NIL (31st March, 2021 Rs. 9.90 lacs) is secured by Exclusive charge on the Machinery funded and personal guarantee of one of the Director.	The Loan is repayable in 15 Quarterly Installment starting from September 2017. Last installment due in June 2021. Rate of interest 8.80 % p.a. as at year end (previous year - 10.25 %)
22.03	Term Loans from HDFC Bank, balance outstanding amounting to Rs 110.60 lacs (31st March, 2021 is Rs. 250.60 lacs) is secured by First Charge on the commercial property situated at Institutional Plot No 38, Sector 44, Gurugram and personal guarantee of one of the Director.	The loan is repayable in 20 quarterly Installment starting from Nov 2017. Last installment due in Nov 2022. Rate of Interest 8.15 % p.a. as at year end (Previous Year 8.30 %)
22.04	Term Loans from HDFC Bank, balance outstanding amounting to Rs. 1552.70 lacs (31st March, 2021 is Rs.1850.42 lacs) is secured by First Charge on the commercial property situated at Institutional Plot No 38, Sector 44, Gurugram and personal guarantee of one of the Director.	Repayable in 40 Quarterly Installment starting from Oct, 2018. Last installment due in Aug 2028. Rate of Interest 8.15 % p.a. as at year end (Previous Year 8.40 %.)
22.05	Term Loans from HDFC Bank, balance outstanding amounting to Rs 40.68 lacs (31st March, 2021 is Rs. 92.16 lacs) is secured by First Charge on the commercial property situated at Institutional Plot No 38, Sector 44, Gurugram and personal guarantee of one of the Director.	The loan is repayable in 19 quarterly Installment starting from Feb 2018. Last installment due in Nov 2022. Rate of Interest 8.20 % p.a. as at year end (Previous Year 8.35 %)
22.06	Term Loan from Yes Bank, balance outstanding amounting to Rs. NIL (March 31, 2021 Rs. 228.00 lacs) is secured by exclusive charge on the immovable property situated at Khasra No 1,2,3 in Akkampeta Village and Khasra No 287 & 288 Kadlauru Village, Tada Mandal, Nellore District, Andhara Pradesh & hypothecation on movable fixed assets situated on said plot .	The Loan is repayable in 20 Quarterly Installment starting from July 2019. Last installment due in Oct 2024. Rate of interest 10.35 % p.a. as at year end. (Previous Year 10.35%)
22.07	Term Loan from Yes Bank, balance outstanding amounting to Rs. NIL (31st March, 2021 Rs. 225.00) is secured by exclusive charge on the immovable property situated at Khasra No 1,2,3 in Akkampeta Village and Khasra No 287 & 288 Kadlauru Village, Tada Mandal, Nellore District, Andhara Pradesh & hypothecation on movable fixed assets situated on said plot .	The Loan is repayable in 20 Quarterly Installment starting from June 2018. Last installment due in Jun 2024. Rate of interest 10.35 % p.a. as at year end (previous year - 10.35 %)
22.08	Term Loans from Union Bank, balance outstanding amounting to Rs NIL lacs (31st March, 2021 Rs. 258.33 lacs) is secured by First pari passu charge on Inventory, Book debts and other current assets of the company present and future along with other working capital lenders .	The Loan is repayable in 18 Monthly Installment starting from Jan 2021. Last installment due in Jun 2022. Rate of interest 8.00 % p.a. as at year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**Nature of security and terms of repayment for long term secured borrowings:**

	Nature of Security	Terms of Repayment
22.09	Term Loans from HDFC Bank, balance outstanding amounting to Rs NIL lacs (31st March, 2021 is Rs. 550.00 lacs) is Secured by the Post dated cheques and Personal Guarantee of one Director.	The loan is repayable in 2 Equal Installment starting from Apr 2021. Last installment due in May 2021. Rate of Interest 9.00 % p.a. as at year end.
22.10	Term Loans from INDUSIND Bank, balance outstanding amounting to Rs 4362.55 lacs (31st March, 2021 is Rs. 4888.09 lacs) is secured by Equitable Mortgage of 9 acres 81 percents land situated in Tamil Nadu. Personal Guarantee of one Director.	The Loan is repayable in 23 Quarterly Installment starting from Sep 2020. Last installment due in March 2026. Rate of interest 11.00 % p.a. as at year end .
22.11	Term Loans from SBI Bank, balance outstanding amounting to Rs 508.59 lacs (31st March, 2021 is Rs. 560.00 lacs) . Secured by all existing securities given for Working Capital Loan	The Loan is repayable in 48 Monthly Installment starting from Feb 2022. Last installment due in Jan 2026. Rate of interest 7.95 % p.a. as at year end .
22.12	Term Loans from SBM Bank, balance outstanding amounting to Rs 892.76 lacs (31st March, 2021 is Rs. 983.00 lacs) is secured by second charge on the entire current assets of the company both present and future. Personal Guarantee of one Director.	The Loan is repayable in 48 Monthly Installment starting from Feb 2022. Last installment due in Jan 2026. Rate of interest 9.25 % p.a. as at year end .
22.13	Term Loan from Yes Bank, balance outstanding amounting to Rs. NIL lacs (31st March, 2021 Rs. 39.04 lacs). Secured by all existing securities given for various Loans.	The Loan is repayable in 20 Quarterly Installment starting from Jul 2020. Last installment due in July 2025. Rate of interest 10.35 % p.a. as at year end .
22.14	Term Loan from Yes Bank, balance outstanding amounting to Rs. NIL lacs (31st March, 2021 Rs. 344.00 lacs) is secured by second charge on Immoveable fixed (Land & Building) of the plot admeasuring 20.01 acres, Located at khasra no. 1,2,3, in Akkampeta Village and Khasra no.287 & 288 Kadaluru Village, Tada mandal, Nellore District,Andhra Pradesh.	The Loan is repayable in 48 Monthly Installment starting from Mar 2022. Last installment due in Feb 2026. Rate of interest 8.85 % p.a. as at year end .
22.15	Term Loans from HDFC Bank, balance outstanding amounting to Rs 1421.52 lacs (31st March, 2021 is Rs. NIL lacs). Secured by all existing securities given for various Loans.	The Loan is repayable in 48 Monthly Installment starting from Jul 2022. Last installment due in Jun 2026. Rate of interest 7.50 % p.a. as at year end .
22.16	Term Loans from INDUSIND Bank, balance outstanding amounting to Rs 1780.00 lacs (31st March, 2021 is Rs. NIL lacs). Secured by all existing securities given for various Loans.	The Loan is repayable in 48 Monthly Installment starting from May 2022. Last installment due in Oct 2025. Rate of interest 7.75 % p.a. as at year end .
22.17	Term Loans from SBI Bank, balance outstanding amounting to Rs 1298.94 lacs (31st March, 2021 is Rs. NIL lacs) . Secured by all existing securities given for Various Loans.	The Loan is repayable in 48 Monthly Installment starting from Feb 2024. Last installment due in Jan 2028. Rate of interest 7.95 % p.a. as at year end .
22.18	Term Loans from Union Bank, balance outstanding amounting to Rs 584.64 lacs (31st March, 2021 is Rs. NIL lacs) . Secured by all existing securities given for various Loans.	The Loan is repayable in 48 Monthly Installment starting from March 2022. Last installment due in Feb 2026. Rate of interest 7.80 % p.a. as at year end .
22.19	Term Loans from Union Bank, balance outstanding amounting to Rs 1870.03 lacs (31st March, 2021 is Rs. NIL lacs) . Secured by all existing securities given for various Loans.	The Loan is repayable in 48 Monthly Installment starting from Jan 2024. Last installment due in Jan 2028. Rate of interest 7.80 % p.a. as at year end .
22.20	Term Loans from HDFC Bank, balance outstanding amounting to Rs 1179.56 lacs (31st March, 2021 is Rs. NIL lacs). is secured by exclusive 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 20 Quarterly Installment starting from June 2024. Last installment due in March 2029. Rate of interest 8.20 % p.a. as at year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**Nature of security and terms of repayment for long term secured borrowings:**

	Nature of Security	Terms of Repayment
22.21	Term Loans from Indusind Bank, balance outstanding amounting to Rs 97.58 lacs (31st March, 2021 Rs. 116.38 lacs) is secured by Exclusive charge on the Machinery funded and personal guarantee of one of the Director.	The Loan is repayable in 61 Monthly Installment starting from 31st March, 2018. Last installment due in 31st March, 2023. Rate of interest 10.40 % p.a. as at year end (previous year - 10.40%)
22.22	Term Loans from Indusind Bank, balance outstanding amounting to Rs 3275.21 lacs (31st March, 2021 Rs.3350.98 lacs) is secured by Exclusive charge on undergone project and Cash Flows, receivables, book debts and revenue of the company.	The Loan is repayable in 16 Quarterly Installment starting from 31st March, 2022. Last installment due in December 2025. Rate of interest 4.19 % p.a. as at year end
22.23	Term Loans from Deutsche Bank, balance outstanding amounting to Rs lacs NIL (31st March, 2021 Rs. 38.56 lacs) is secured by Exclusive charge Cash Flows, receivables, book debts and revenue of the company.	The Loan is repayable in 48 Monthly Installment starting from July 2016. Last installment due in June 2020. Rate of interest 1.02 % p.a. as at year end
22.24	Vehicle Loans are secured by way of hypothecation of vehicles financed by the Bank.	

23. OTHER NON-CURRENT FINANCIAL LIABILITIES**Rs. in Lakhs**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Security Deposit with Related Parties	156.97	129.37
TOTAL	<u>156.97</u>	<u>129.37</u>

24. NON-CURRENT PROVISION

(a) Provision for Employees Benefit	45.16	41.52
TOTAL	<u>45.16</u>	<u>41.52</u>

25. OTHER NON-CURRENT LIABILITIES

(a) Government Grant	52.57	57.02
(b) Advance Lease Rent	69.69	76.72
TOTAL	<u>122.26</u>	<u>133.74</u>

26. CURRENT BORROWING**Secured**

- Working Capital Loans From Banks	27,658.55	28,817.12
- Current Maturity of Long term borrowing	2,889.40	1,961.12
TOTAL	<u>30,547.95</u>	<u>30,778.24</u>

26.1 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.

26.2 Working Capital facilities in Overseas Subsidiaries are Secured against Corporate Guarantee/SBLC of Holding company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**27. TRADE PAYABLE****Rs. in Lakhs**

Particulars	Rs. in Lakhs	
	As at 31st March, 2022	As at 31st March, 2021
(a) Acceptances	1,384.99	3,046.48
(b) Payable to Micro and Small Enterprises	488.99	533.17
(c) Payable to others than Micro and Small Enterprises	9,877.85	6,660.38
TOTAL	<u>11,751.83</u>	<u>10,240.03</u>

Trade Payable ageing Schedule for the year ended as on 31st March, 2022

Particulars	Outstanding for following period from due date of payment				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Dues to MSME	488.99	-	-	-	488.99
Others	11,184.98	77.86	-	-	11,262.84
Total Trade Payable	10,879.90	77.86	-	794.07	11,751.83

Trade Payable ageing Schedule for the year ended as on 31st March, 2021

Particulars	Outstanding for following period from due date of payment				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Dues to MSME	533.17	-	-	-	533.17
Others	9,638.84	67.11	0.58	0.33	9,706.86
Total Trade Payable	10,172.01	67.11	0.58	0.33	10,240.03

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**28. OTHER CURRENT FINANCIAL LIABILITIES****Rs. in Lakhs**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Interest Accrued	53.58	57.51
(b) Unpaid Dividend	5.92	7.12
(c) Due to Employee	355.09	427.65
(d) Expenses Payable	262.92	197.86
(e) Statutory Dues Payable	202.91	178.37
(f) Capital Payables	13.82	18.19
(g) Other Payable	34.47	5.05
TOTAL	928.71	891.75

29. PROVISIONS

(a) Provision for Employees Benefits	285.72	357.07
TOTAL	285.72	357.07

30. OTHER CURRENT LIABILITIES

(a) Advance from Customer	130.97	118.36
TOTAL	130.97	118.36

31. REVENUE FROM OPERATIONS

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Sales of Products		
(a) Sales Manufactured Goods	56,879.81	38,184.44
(b) Sales Stock-in-Trade	9,720.17	14,299.78
Sales of Services	408.17	864.28
Other Operating Revenues		864.28
(a) Export Incentives	1,566.26	1,966.56
(b) Foreign Exchange Gain/(Loss)	776.54	(475.71)
TOTAL	69,350.95	54,839.35

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

32. OTHER INCOME	Rs. in Lakhs	
Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
(a) Interest Income	8.33	8.82
(b) Other Non Operating Income		
- Rental Income	291.09	300.00
- Other Income	2,917.98	186.27
TOTAL	<u>3,217.40</u>	<u>495.09</u>
33. COST OF MATERIALS CONSUMED		
Opening Stock	31,605.67	31,824.35
Add : Purchases	<u>34,543.70</u>	<u>20,843.15</u>
	66,149.37	52,667.50
Less : Closing Stock	34,147.38	31,605.67
MATERIALS CONSUMED	<u>32,001.99</u>	<u>21,061.83</u>
34. CHANGE IN INVENTORIES OF FINISHED GOODS & WIP		
Opening Stock	9,235.16	9,615.33
Closing Stock	10,988.96	9,235.16
Decrease/(Increase)	<u>(1,753.80)</u>	<u>380.17</u>
35. EMPLOYEE BENEFIT EXPENSES		
(a) Salary & Allowances	4,541.71	4,034.83
(b) Contribution to Provident & Other fund	313.66	455.92
(c) Staff Welfare Expenses	309.30	116.64
TOTAL	<u>5,164.67</u>	<u>4,607.39</u>
36. FINANCE COST		
(a) Interest Expense- Net	2,010.33	1,951.31
(b) Borrowing Cost	214.11	332.46
(c) Interest on Lease Liability	30.89	34.12
(d) Exchange difference regarded as an adjustment to borrowing cost	72.20	68.09
TOTAL	<u>2,327.53</u>	<u>2,385.98</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**37. DEPRECIATION AND AMORTISATION****Rs. in Lakhs**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Depreciation on Property Plant and Equipment	898.97	814.63
(b) Amortisation on Intangible Assets	1,334.46	76.52
(c) Depreciation on Investment on Properties	10.91	10.91
(d) Amortisation on Right of use Assets	136.29	131.43
TOTAL	2,380.63	1,033.49

38. OTHER EXPENSES**(I) Manufacturing Expenses**

(a) Fabrication Charges	9,745.66	8,597.45
(b) Other Manufacturing Expenses	432.93	370.36
(c) Freight & Cartage	29.91	18.00

(II) Selling & Administrative Expenses

(a) Legal And Professional Charges	2,117.26	1,102.27
(b) Power & Fuel	352.86	284.28
(c) Bank Charges	575.88	434.07
(d) Repair & Maintenance		
- Building	44.82	52.92
- Plant & Machinery	199.68	113.01
- Others	619.83	475.39
(e) Communication	77.07	79.55
(f) Rates Taxes & Duties	55.56	86.08
(g) Insurance	193.35	135.12
(h) Rent	246.78	123.90
(i) Travelling & Conveyance	640.44	390.80
(j) Freight on Exports	1,059.73	601.37
(k) Commission, Brokerage & Discount	288.16	256.05
(l) Loss on Sale /Discard of Fixed Assets	0.02	6.24
(m) Misc. Expenses	690.69	559.68
(n) Expenditure towards CSR Activities	103.47	84.76
(o) Directors Meeting Fees	4.81	6.30
(p) Packing Expenses	71.42	26.50
(q) Bad Debts	776.85	23.61
(r) Auditors Remuneration	39.19	40.24
TOTAL	18,366.37	13,867.95

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

39. TAX EXPENSES		Rs. in Lakhs	
Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021	
I) Current Tax			
(a) Current Tax on Taxable Income for the year	369.49	33.78	
	<u>369.49</u>	<u>33.78</u>	
II) Deferred Tax			
(a) Related To origination & reversal of temporary differences	176.51	(5.41)	
Income tax expenses reported in statement of profit and loss	<u>546.00</u>	<u>28.37</u>	
Effective Income Tax Rate	<u>(49.17%)</u>	<u>(4.81%)</u>	
A reconciliation of the Income Tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:			
tax rate to the profit before income taxes is summarized below:			
Accounting profit before tax	(1,110.43)	(589.30)	
Statutory Income Tax Rate	25.168%	25.168%	
Computed tax expenses	(279.47)	(148.32)	
Tax in respect of earlier years	11.93	-	
Non taxable/ differential tax rate of subsidiaries	(40.43)	(66.72)	
Impact of share of profit/(loss) of associates	797.08	223.32	
Deduction under section 24 of income tax act	(19.05)	(19.46)	
Non-Deductible expenses for tax purpose	75.94	39.55	
Income tax charge to statement of profit and loss account	<u>546.00</u>	<u>28.37</u>	
40. CONTINGENT LIABILITIES		Rs. in Lakhs	
Particulars	As at 31st March, 2022	As at 31st March, 2021	
i) Letter of Credit / Import Bills outstanding -	3,274.58	734.11	
ii) Standby Letter of credit (SBLC) issued by company bankers in favour of the bankers of its subsidiaries			
- Ultima S A	8,689.13	8,849.21	
iii) Corporate Guarantee given by the company to a bank against facilities granted by that bank to its wholly owned subsidiaries Ultima SA, Ultima Italia Srl. & World Fashion Trade Ltd.	418.90	428.93	
iv) Karnataka Vat Demand Under dispute	56.60	56.60	
v) Andhra Pradesh GST Demand Under dispute	71.78	-	
vi) Income tax Demand under dispute	50.75	-	
41. CAPITAL AND OTHER COMMITMENTS			
i) Commitments under import of goods & capital goods at concessional rate of custom duty.	14,135.89	213.34	
ii) Estimated Value of contract remaining to be executed on capital account	94.24	-	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**42. EMPLOYEE BENEFITS PLANS**

The details of various employee benefits provided to employees are as under:

a) Defined Contribution Plans Rs. in Lakhs

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Detail of amount recognised as expense for defined contribution plans is given below:		
a) Provident Fund*	198.17	195.47
b) Employees State Insurance Corporation	3.19	2.91

b) Defined Benefit Plans

The Defined benefit plan of the Company includes entitlement of gratuity for each year of service until the retirement age.

i) The principal assumptions used for the purposes of the actuarial valuations were as follows:

Principal Assumptions	Gratuity	
	As at 31st March, 2022	As at 31st March, 2021
Expected return on plan assets	7.20%	6.80%
Discount rate	7.20%	6.80%
Salary increase rate	5.00%	3% for one year and 6% thereafter
Employee turnover	5.00%	5.00%
In service mortality	IALM (2012-14)	IALM (2012-14)

ii) Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	Gratuity	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Current Service Cost	67.32	72.17
Net Interest Expenses	(1.53)	3.73
Past Service Cost	-	-
Components of defined benefit costs recognised in profit or Loss	<u>65.79</u>	<u>75.90</u>
Re-measurement on the Net Defined Benefit liability:		
Actuarial (gains)/ losses on obligation for the year	(28.17)	(3.43)
Return On Plan Assets	(6.75)	(31.44)
Net(Income)/Expenses for the year ended recognized in OCI	<u>(34.92)</u>	<u>(34.87)</u>

iii) The amount included in the Balance Sheet arising from the entity's obligation in respect of its Defined Benefit Obligation

Particulars	Gratuity	
	As at 31st March, 2022	As at 31st March, 2021
Present Value of Defined Benefit Obligation	401.31	395.20
Fair Vale of Plan Asset	(453.48)	(423.42)
Net Liability arising from Defined Benefit Obligation	<u>(52.17)</u>	<u>28.22</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**iv) Movements in the present value of the defined benefit obligation are as follows:**

Rs. in Lakhs

Particulars	Gratuity	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Opening Defined Obligation	395.20	385.74
Interest Cost	(1.53)	3.73
Current Service Cost	67.32	72.17
Past Service Cost	-	-
Benefits Paid Directly by the employer	(31.51)	(63.01)
Actuarial (gains)/ Losses	(28.17)	(3.43)
Closing Defined Benefit Obligation	<u>401.31</u>	<u>395.20</u>

v) Movements in the fair value of the plan assets are as follows:

Particulars	Gratuity	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Opening fair Value of Plan Assets *	423.42	324.78
Interest Income	28.55	21.20
Contribution by the Employer	-	99.97
Return on Plan Assets Excluding Interest Income	1.51	(22.53)
Closing fair Value of Plan Assets	<u>453.48</u>	<u>423.42</u>

*** Fund Managed by the approved Insurance Company Kotak Life Insurance**

Particulars	Gratuity	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Investment With Insurer	100.00%	100.00%

Sensitivity Analysis

A quantitative sensitivity analysis for significant assumptions as at 31st March, 2022 is as follows:

Particulars	Increase Effect	Decrease Effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	(449.25)	480.74
Effect of Increase/decrease in salary escalation by 1% on Defined benefit obligations	481.01	(448.87)

A quantitative sensitivity analysis for significant assumptions as at 31st March, 2021 is as follows:

Particulars	Increase Effect	Decrease Effect
Effect of Increase/decrease in discount rate by 1% on Defined benefit obligations	(418.50)	451.68
Effect of Increase/decrease in salary escalation by 1% on Defined benefit obligations	451.76	(418.28)

The sensitivity analysis above has been determined on the basis of actuarial certificate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**Rs. in Lakhs****43. EARNING PER SHARE**

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Profit/(loss) for the year	(1,627.76)	(588.90)
No. of share at the beginning of the year (A)	1,22,02,369	1,22,01,869
Equity allotted during the year	4,760	500
Weighted average shares (B)	4,708	177
Weighted average shares outstanding (nos.) (A+B)	1,22,07,077	1,22,02,046
Effect of diluted number of share		
Add:- Employee stock option plan	18,594	22,859
Weighted average number of equity share for diluted earning per share	1,22,25,671	1,22,24,905
Basic earning per share	(13.33)	(4.83)
Diluted earning per share	(13.31)	(4.82)

44. Export Promotion Capital Goods (EPCG)

Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant.

- 45.** During the year the company has filed objections before the "Dispute Resolution Panel" against the Draft Assessment Orders issued under section 144C of the Income Tax Act 1961 showing enhancement of taxable income by Rs. 29.15 crore and 12.83 crore for the Financial Year 2016-17 & 2017-16 respectively. Which is pending as on balance sheet date.

46. Employee Stock Option Plan

The Company instituted an Employees Stock Option Plan ('ESOP 2013') pursuant to the Nomination and Remuneration Committee (Earlier Compensation Committee) and Shareholders' resolution dated September 23, 2013. As per ESOP 2013, the Company had granted the below stock options:

On 28th January, 2014 – 50,000 stock options.

On 16th September, 2015 – 1,55,800 stock options

On 31st December, 2015 – 8,850 stock options

On 3rd February, 2018 – 30,000 stock options

On 5th April, 2018 – 30,000 stock options

These options comprises equal number of equity shares to be allotted in one or more tranches to the eligible employees of the Company and its subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

The details of the ESOPs granted so far are provided below:

Rs. in Lakhs

Grant date		April 5, 2018		
Vesting tranche	Vesting I	Vesting II	Vesting III	Vesting IV
Vesting date	April 05,2019	April 05,2020	April 05,2021	April 05,2022
%age of vesting	16.67	16.67	16.66	50.00
Exercise Price (in Rs.)	330.00	330.00	330.00	330.00
Grant date		February 03, 2018		
Vesting tranche	Vesting I	Vesting II	Vesting III	Vesting IV
Vesting date	February 03,2019	February 03,2020	February 03,2021	February 03,2022
%age of vesting	10.00	20.00	30.00	40.00
Exercise Price (in Rs.)	450.00	450.00	450.00	450.00
Grant date		December 31, 2015		
Vesting tranche		Vesting I	Vesting II	Vesting III
Vesting date		December 31, 2016	December 31, 2017	December 31, 2018
%age of vesting		33.00	33.00	34.00
Exercise Price (in Rs.)		50.00	50.00	50.00
Grant date		September 16, 2015		
Vesting tranche		Vesting I	Vesting II	Vesting III
Vesting date		September 16, 2016	September 16, 2017	September 16, 2018
%age of vesting		33.00	33.00	34.00
Exercise Price (in Rs.)		50.00	50.00	50.00
Grant date		January 28, 2014		
Vesting tranche		Vesting I		Vesting II
Vesting date		1st February, 2015		1st March, 2015
%age of vesting		50.00		50.00
Exercise Price (in Rs.)		156.00		156.00

The Company uses the fair value for determination of the employee stock compensation expense.

The activity in the Employees Stock Option Plan during the year ended 31st March, 2022 is as under:

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Number of options outstanding at the beginning of the period	25,511	91,823
Number of options granted during the year	-	-
Number of options forfeited / lapsed during the year	-	65,812
Number of options vested during the year	-	14,000
Number of options exercised during the year	4,760	500
Number of shares arising as a result of exercise of options	4,760	500
Money realized by exercise of options (INR), if scheme is implemented directly by the company	Rs. 238,000	Rs. 25,000
Loan repaid by the Trust during the year from exercise price received	NA	NA
Number of options outstanding at the end of the year	20,751	25,511
Number of options exercisable at the end of the year	20,751	25,511

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

	Rs. in Lakhs			
Date of Grant	September 16, 2015	December 31, 2015	February 3, 2018	April 5, 2018
Weighted average share price	Rs. 468.70	Rs 521.15	Rs. 463.55	Rs. 216.15
Exercise price	Rs. 50.00	Rs. 50.00	Rs. 450.00	Rs. 330.00
Expected volatility	29.24%	33.10%	25.71%	36.78%
Option life (comprising of weighted average of vesting period and exercise period)	7 years	7 years	8 years	5.50 years
Expected dividends	0.21%	0.19%	0.26%	0.29%
Risk free rate of return	8.17%	7.96%	7.82%	7.22%

47. DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Amount required to be spent by the company during the year	40.52	53.84
(b) Amount of expenditure incurred	103.47	81.85
(c) Shortfall at the end of the year	14.62	53.84
(d) Total of previous years shortfall	-	23.73
(e) Reason for shortfall	Pertain to ongoing projects	Pertain to ongoing projects
(f) Nature of CSR Activities	Rural Development, education, health & sanitation	Rural Development, education
(g) Details of related party transaction	NIL	NIL
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision.	N.A	N.A

48. FAIR VALUE MEASUREMENT

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants.

The following methods and assumptions were used to estimate the fair values:

Trade receivables, cash and cash equivalents, other bank balances, short term loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: approximate their carrying amounts largely due to the short-term maturities of these instruments.

Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house.

The fair values for loans, security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques.

The following is the basis for categorising the financial instruments measured at fair value into Level 1 to Level 3 :

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

Particulars	Rs. in Lakhs			
	As at 31st March, 2022			
	Carrying Amount	Level of input used in		
	Level 1	Level 2	Level 3	
Financial Assets				
At Amortised Cost				
Trade Receivable	12,978.36	-	-	12,978.36
Cash & cash equivalents	3,325.82	-	-	3,325.82
Other bank balance	4,268.82	-	-	4,268.82
Loans	112.81	-	-	112.81
Other financial assets	3,484.19	-	-	3,484.19
At FVTPL				
Investments	35.01	0.01	-	35.00
Other financial assets	96.35	-	96.35	-
Financial Liabilities				
At Amortised Cost				
Borrowings	47,059.04	-	-	47,059.04
Lease Liability	728.03	-	-	-
Trade payables	11,751.83	-	-	11,751.83
Other financial liabilities	1,085.68	-	-	1,085.68
At FVTPL				
Other financial liabilities	-	-	-	-
<hr/>				
Particulars	As at 31st March, 2021			
	Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3
Financial Assets				
At Amortised Cost				
Trade Receivable	14,019.68	-	-	14,019.68
Cash & cash equivalents	1,720.25	-	-	1,720.25
Other bank balance	2,201.13	-	-	2,201.13
Loans	95.72	-	-	95.72
Other financial assets	3,301.91	-	-	3,301.91
At FVTPL				
Investments	35.01	0.01	-	35.00
Other financial assets	21.65	-	21.65	-
Financial Liabilities				
At Amortised Cost				
Borrowings	43,063.99	-	-	43,063.99
Trade payables	10,240.03	-	-	10,240.03
Lease Liability	589.80	-	-	589.80
Other financial liabilities	1,021.12	-	-	1,021.12
At FVTPL				
Other financial liabilities	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

49. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Particulars	Rs. in Lakhs	
	As at 31st March, 2022	As at 31st March, 2021
Borrowings (long-term and short-term, including current maturities of long term borrowings) (Note 23, 27 & 29)	47,059.04	43,063.99
Less: Cash and cash equivalents (Note 16)	(3,325.82)	(1,720.25)
Net Debt	43,733.22	41,343.74
Equity Share Capital	1,220.71	1,220.24
Other Equity	31,105.35	32,811.74
Total Capital	32,326.06	34,031.98
Capital and Net Debt	76,059.28	75,375.72
Gearing Ratio	57.50%	54.85%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2022 and 31st March, 2021.

50. 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	As a % of Consolidated Profit	Amount
Parent :	84.95	30,359.63	79.24	1,216.98
Subsidiary :				
Indian Subsidiaries				
Bhartiya Global Marketing Ltd	1.11	396.39	(0.04)	(0.56)
J&J Leather Enterprises Ltd	1.31	467.61	0.61	9.30
Bhartiya International Sez Ltd	3.56	1,272.36	(2.01)	(30.86)
Bhartiya Fashion Retail Ltd	0.02	7.39	0.09	1.39
Bhartiya Urban Infrastructure Ltd.	0.01	3.16	0.01	0.17
Foreign Subsidiaries				
World Fashion Trade Ltd.	(0.01)	(2.93)	(0.99)	(15.28)
Design Industry China Ltd.	0.09	30.99	2.83	43.45
Ultima SA	13.57	4,851.05	(49.21)	(755.82)
Ultima Italia SRL	4.55	1,627.54	4.74	72.75
Design Industry Ltd., Hongkong	4.15	1,482.42	63.96	982.34
Sub Total		40,495.61		1,523.86
Inter-Company Elimination & Consolidation Adjustments	(13.31)	(4,756.61)	0.78	12.02
Grand Total		35,739.00		1,535.88
Non-Controlling Interest in Subsidiaries		(139.55)		3.41
Share of Profit / (Loss) in Associates		(3,412.87)		(3,167.02)
		32,186.58		(1,627.73)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

51. Financial Risk Management

The Company's management monitors and manages the financial risks relating to the operations of the Company. These risks include credit risk, liquidity risk and market risk (including currency risk, interest rate risk and other price risk).

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/bonds, trade receivables, loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and disclosed in below table.

Particulars	Rs. in Lakhs	
	As at 31st March, 2022	As at 31st March, 2021
Less than 6 month	11,046.32	12,895.69
More than 6 month	1,932.04	1,123.99

Liquidity Risk

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The surplus funds with the Company and operational cash flows will be sufficient to dispose the financial liabilities within the maturity period.

Maturity Profile of Financial Liabilities

Particulars	As at 31st March, 2022			
	0-1 year	1-5 year	Beyond 5 year	Total
Borrowing (Including current maturity of long term borrowing)	30,547.95	15,647.03	864.06	47,059.04
Trade Payable	11,751.83	-	-	11,751.83
Lease Liabilities	99.82	411.84	216.37	728.03
Other Financial Liabilities	1,085.68	-	-	1,085.68

Particulars	As at 31st March, 2021			
	0-1 year	1-5 year	Beyond 5 year	Total
Borrowing (Including current maturity of Long Term borrowing)	30,778.24	11,918.03	367.73	43,064.00
Trade Payable	10,240.03	-	-	10,240.03
Lease Liabilities	103.14	361.43	125.23	589.80
Other Financial Liabilities	1,021.12	-	-	1,021.12

Market Risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may, result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates risk/liquidity risk which impact returns on investments. Market risk exposures are measured using sensitivity analysis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Particulars	Rs. in Lakhs	
	As at 31st March, 2022	As at 31st March, 2021
Total Borrowings	47,059.04	43,064.00
% of Borrowings out of above bearing variable rate of interest	58.77%	66.92%

Interest Rate Sensitivity

A change of 100 bps in interest rates would have following Impact on profit before tax

100 bp increase would decrease the profit before tax by	452.77	288.17
100 bp decrease would Increase the profit before tax by	452.77	288.17

Foreign Currency Risk Management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Foreign Currency Monetary Assets	Foreign Currency Monetary Liabilities	Foreign Currency Monetary Assets	Foreign Currency Monetary Liabilities
USD	99.91	410.16	80.55	407.37
EURO	37.95	74.32	37.22	157.30
GBP	37.89	10.53	34.87	39.21
HKD	332.00	146.60	282.17	293.34
RMB	9.68	0.26	1.91	0.63
CHF	124.74	69.79	150.63	98.33

Foreign Currency Sensitivity

The following table details the Company's sensitivity to a 5% change in rupee value against the relevant foreign currencies, which is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end.

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	5% Weakened	5% Strengthen	5% Weakened	5% Strengthen
Foreign Currency Monetary Assets				
USD	379.2	(379.2)	294.46	(294.46)
EURO	159.1	(159.1)	159.63	(159.63)
GBP	188.9	(188.9)	175.73	(175.73)
HKD	160.9	(160.9)	132.69	(132.69)
RMB	5.4	(5.4)	1.07	(1.07)
CHF	512.9	(512.9)	583.67	(583.67)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

Particulars	Rs. in Lakhs			
	As at 31st March, 2022		As at 31st March, 2021	
	5% Weakened	5% Strengthen	5% Weakened	5% Strengthen
Foreign Currency Monetary Liabilities				
USD	(1,556.6)	1,556.6	(1,489.2)	1,489.2
EURO	(311.6)	311.6	(674.7)	674.7
GBP	(52.5)	52.5	(197.6)	197.6
HKD	(71.0)	71.0	(137.9)	137.9
RMB	(0.1)	0.1	(0.4)	0.4
CHF	(286.9)	286.9	(381.0)	381.0
Impact on Profit or Loss as at the end of reporting year	(872.5)	872.5	(1,533.4)	1,533.4

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Disclosure Regarding Derivative Instruments.

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to accounts receivable. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

The following are outstanding forward contracts which has been designated as cash flow hedges:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Currency	Foreign Currency Lacs	Currency	Foreign Currency Lacs
Forwards Contracts	USD	71.50	USD	58.80
	EURO	15.00	EURO	5.50
	GBP	18.00	GBP	38.00

52. RELATED PARTY DISCLOSURES AS PER IND AS 24

a) Name of Related Parties & Nature of Relationship:	Country	Ownership Interest
i) Associate Parties :		
Bhartiya Urban Pvt. Ltd. (Earlier Known as Bhartiya City Developers Pvt. Ltd.)	India	36.77%
Tada Mega Leather Cluster Pvt Ltd.	India	50.00%
ii) Executive Directors:		
Manoj Khattar		Whole Time Director
Amrish Pal Singh		Managing Director
Nikhil Aggarwal		Director
Walter Willi Zwahlen		Director
iii) Non-Executive Directors		
Snehdeep Aggarwal		Director
Ramesh Bhatia		Director
C.L. Handa		Independent Director
Sandeep Seth		Independent Director
Shashank		Independent Director
A. Sahasranaman		Independent Director
S. M. Swathi		Independent Director
Robert Burton Moore Jr		Director
Mukul Harmilapi		Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).**a) Name of Related Parties & Nature of Relationship: Country Ownership Interest****iv) Enterprises owned or significantly influenced by Executive Directors or their relatives :**

Itopia Management Services (India) Pvt. Ltd.

Parushni Interior Designs Private Limited

v) Trust

Bhartiya International Limited Employees Group Gratuity Scheme

Post Employment Benefit Plan

Particulars	2021-22	2020-21
b) Transactions during the year with related parties :		
1. Other Income		
Parushni Interior Designs Pvt. Ltd.	0.36	-
2. Salaries		
Manoj Khattar	93.79	73.41
Amrishpal Singh	3.00	2.83
Nikhil Aggarwal	101.86	102.53
Walter Willi Zwahlen	48.11	46.41
3. Lease Rent Received		
Parushni Interior Designs Pvt Ltd	18.00	18.00
4. Other Expenses		
Itopia Management Services (India) Pvt. Ltd	0.13	-
5. Legal and Professional Fees		
Itopia Management Services (India) Pvt. Ltd	4.50	6.50
Robert Burton Moore Jr	80.63	74.67
Snehdeep Aggarwal	9.00	9.00
Mukul Harmilapi	14.68	12.67
6. Sitting Fee		
Ramesh Bhatia	0.44	0.43
C.L. Handa	1.06	1.08
Sandeep Seth	1.22	1.08
Shashank	1.22	1.08
A. Sahasranaman	0.33	0.43
S. M. Swathi	0.53	0.32
7. Contribution to Gratuity Trust		
Bhartiya International Limited Employees Group Gratuity Scheme	-	46.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD).

Particulars	Rs. in Lakhs	
	2021-22	2020-21
c) Balances Outstanding at the year end:		
1. Advance Paid		
Parushni Interior Designs Pvt. Ltd	-	0.03
2. Expenses/Others Payables		
Amrishpal singh	0.24	0.25
Itopia Management Services (India) Pvt. Ltd.	0.62	2.76
Snehdeep Aggarwal	0.68	0.69
3. Security Deposit (Received)		
Parushni Interior Designs Private Limited	1.50	1.50

53. Ratios

Ratio	Numerator	Denominator	2021-22	2020-21	Variance	Reason
(a) Current Ratio,	Current Assets	Current Liabilities	1.67	1.56	6.97%	
(b) Debt-Equity Ratio,	Total Debt	Shareholder,s Equity	1.46	1.27	15.04%	
(c) Debt Service Coverage Ratio,	Earning Available for debt services	Debt Services (Interst & Lease payment+Principal Repayments of long term borrowing	1.23	1.29	-4.59%	
(d) Return on Equity Ratio,	Net Profit for the year	Average Shareholder,s Equity	-4.99%	-1.80%	1.78%	
(e) Inventory turnover ratio,	Cost of Goods Sold	Average Inventory	0.96	0.78	22.22%	
(f) Trade Receivables turnover ratio,	Net Credit Sales	Average Trade Receivables	4.96	4.00	23.98%	
(g) Trade payables turnover ratio,	Net Credit Purchase	Average Trade Payables	5.16	4.62	11.65%	
(h) Net capital turnover ratio,	Net Sales	(Current assets-current liabilities)	2.35	2.28	3.20%	
(i) Net profit ratio,	Net Profit After Tax	Total Sales	-2.39%	-1.13%	1.12%	
(j) Return on Capital employed,	EBIT	(Tangible Net Worth + Total Debt + Deferred Tax Liability)	4.51%	6.56%	-0.31%	

As per our report of even date attached

For K A S G & CO.
Chartered Accountants
Firm Reg. No. 002228C

For and on behalf of the Board

R.B.Sharma
Partner
Mem. No. 075701

Yogesh Kumar Gautam
Company Secretary

Raj Kumar Chawla
Chief Financial Officer

Manoj Khattar
Whole Time Director
DIN: 00694981

Ramesh Bhatia
Director
DIN: 0052320

Gurugram, 30th May, 2022

CONSOLIDATED FINANCIAL SUMMARY

Particulars	Rs. in Lakhs										
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	
Equity Share Capital	1106.38	1106.38	1121.38	1171.38	1174.09	1218.13	1219.42	1220.19	1220.24	1220.71	
Reserves & Surplus	13113.65	14518.27	16276.96	20014.16	25579.31	36272.00	38276.25	33455.76	32811.74	31105.35	
Net Worth	14395.12	15798.28	17864.48	22394.47	26753.41	37490.13	39495.67	34675.95	34031.93	323226.06	
Capital Employed	17572.83	19521.88	21582.50	26468.25	30699.56	43225.88	46795.74	41972.58	47698.42	50540.77	
Gross Fixed Assets	8907.95	9591.43	10428.12	12109.72	9422.58	12787.52	13773.50	16020.50	22967.79	25829.95	
Net Fixed Assets	6557.74	6888.19	7316.30	8412.82	8922.09	11574.45	11798.37	13066.17	19020.72	19662.50	
Export Sales including Export Incentives	30306.03	41440.95	55812.77	62215.89	64194.24	71051.66	74799.74	72069.58	54839.35	69350.95	
Other Income	315.73	351.49	333.80	378.91	618.56	725.54	1198.07	435.50	495.50	3217.40	
Total Income	30621.76	41792.44	56146.57	62600.50	64812.80	71777.20	75997.81	72505.08	55334.85	72568.35	
EBITDA	2951.26	4059.35	5299.22	5104.13	4659.23	5408.24	6717.19	6399.58	3717.50	6764.75	
Depreciation	323.63	395.46	630.24	604.98	601.53	748.27	812.70	998.01	1033.49	2380.63	
EBIT	2627.63	3663.88	4668.98	4499.15	4057.70	4659.97	5904.49	5401.57	2684.01	4384.12	
Profit before Tax	1442.25	2096.56	2953.65	3192.93	2667.25	2703.91	2851.18	2910.24	298.03	2056.59	
Tax Expenses	433.40	646.96	839.46	920.88	808.95	842.61	954.74	435.87	28.37	546.00	
Net Profit After Tax and before Share of Profit / (Loss) of Associates	1012.58	1451.83	2099.93	2279.26	1858.30	1861.30	1896.44	2474.37	269.66	1510.59	
Non Controlling Interest	(3.73)	(1.45)	14.26	(7.22)	(5.68)	(3.43)	(0.01)	(1.59)	(3.01)	(3.41)	
Share in Profit	1.29	0.78	0.44	192.22	(58.54)	(118.07)	80.35	(348.68)	(887.33)	3167.02	
Net Profit after Share of Profit and Loss of Associates	1013.87	1451.83	2100.37	2471.48	1799.76	1743.23	1976.79	2125.69	(617.37)	(1656.43)	
Equity Dividend (%)	10.00	10.00	10.00	12.00	12.00	12.00	12.00	-	-	-	
EPS (Basic) Rs.	9.35	13.12	18.83	21.69	15.33	14.42	16.25	17.67	(4.83)	(13.33)	
EPS(Diluted) Rs.	9.31	13.06	18.50	21.48	14.98	14.28	16.14	17.61	(4.82)	(13.31)	

INDEPENDENT AUDITOR'S REPORT

The Members of

Bhartiya International Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of M/s **Bhartiya International Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, (including other Comprehensive Income) the Cash Flow Statement and Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its Profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
<p><u>Hedge Accounting and the Related Disclosures for Currency Derivatives:</u></p> <p>We identified the hedge accounting for currency derivatives and the adequacy of the related disclosures as a key audit matter because the evaluation of hedge effectiveness involved management's judgement and estimation.</p> <p>Besides, the changes in fair values of these currency derivatives also had a significant impact on the standalone financial statements.</p> <p>As disclosed in note 51 to the standalone financial statements, the Company was exposed to currency risk primarily arising from Foreign currency denominated Trade Receivables, Creditors and Loans.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> • Obtaining an understanding of and testing the design and implementation and operating effectiveness of the management's controls over the valuation of currency derivatives and hedge accounting. • Inspecting the hedge documentations and contracts and evaluating the management's determination of mark to market valuations and assessment of hedge effectiveness, on a sample basis, to evaluate the accounting for these currency derivatives in accordance with the requirements of the relevant Indian Accounting Standards. • Obtaining confirmations from contract counterparties to verify the existence of each currency derivative held at 31st March, 2022. • Re performing mark-to-market valuations on a sample basis to evaluate the reasonability of fair values of the currency derivatives and the hedge effectiveness thereof has been appropriately determined by the management; and • Assessed the adequacy of the disclosures in respect of the currency derivatives and hedge accounting in accordance with the disclosure requirements of Ind AS 107-Financial Instruments: Disclosures, Ind AS 113- Fair Value Measurement.

Information Other than the Financial Statement and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, but does not include the standalone financial statements and our auditor’s report there on.

Our opinion on the standalone financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statement our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (“Ind As”) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibility for the Audit of Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the standalone financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statement, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statement.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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, a statement on the matters specified in the paragraph 3 and 4 of the order.
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 Standalone Financial Statements 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 Ind AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (h) 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, as amended 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 standalone financial statements (Refer Note 39 to standalone financial statements.)
 - ii) The company has made provision as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts including derivatives contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or

- otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented that, to the best of its knowledge and belief no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v) No dividend has been declared or paid during the year by the Company.

for K A S G & CO.
Chartered Accountants
Firm's Registration No. 002228C

R.B.Sharma
Partner
Mem. No. 075701
UDIN: 22075701AJWAKL6824

Gurugram, 30th May, 2022

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2022, we report that:

- I (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the Programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) Based upon the audit procedure performed and according to the records of the Company, the title deeds of all the immovable properties (other than self-constructed building and properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company except for the following which are not held in the name of the Company:

Description of Property	Gross carrying value	Held in the name of	Whether promoter, director of their relative of Employee	Period held	Reason for not being held in name of company
PPE	18,50,000	Pardeep Goyal	Yes	12.08.2000	Due to issue in Registration

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- II (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. In respect of inventory lying with third parties at the year-end, these have substantially been confirmed by them. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets during the year. According to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- III According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year. The Company has provided guarantees during the year to companies and other parties, details of which are stated below. The Company has not provided guarantees during the year to firms or limited liability partnerships.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided guarantee to any other entity as below:

<u>Particulars</u>	<u>Guarantee Amounts</u>
Aggregate amount of guarantee provided during the year	
- Subsidiaries	Rs. 91.08 Crore
Balance outstanding as at balance sheet date – 31st March, 2022	
- Subsidiaries	Rs. 91.08 Crore

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

- (c) The Company has not granted any loans or advances in the nature of loan secured or unsecured. Hence, reporting under clause 3(iii)(c), 3(iii)(d), and 3(iii)(e), of the Order is not applicable.
- IV According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- V The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- VI According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the business activities carried out by the company. Accordingly, clause 3(vi) of the Order is not applicable.
- VII In respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2022 on account of disputes are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount in Rs.
Goods and Service Tax Act, 2017	Goods and Service Tax	Appellate Authority upto Commissioner level	F.Y. 2017-18, 2018-19 & 2019-20	71,77,578
KVAT Act	Karnataka VAT	Karnataka Appellate Tribunal	F.Y. 2009-2010 & 2010-2011	56,59,787/-
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax, Appeals	F.Y. 2019-2020	50,74,770/-

- viii There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the IncomeTaxAct,1961 (43 of 1961).
- IX (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates, as defined in the Act. The Company does not hold any investment in any joint venture (as defined in the Act) during the year ended 31st March 2022.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associates (as defined under the Act).
- X (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) except equity shares issued on exercise of option granted under the Employee Stock Option Plan (ESOP).
- XI a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- XII The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable
- XIII In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- XIV a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, in determining the nature, timing and extent of our audit procedures.
- XV In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- XVI a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.
- b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs
- XVII The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- XVIII There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- XIX According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XX a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the Act.

for K A S G & CO.

Chartered Accountants
Firm's Registration No. 002228C

R.B.Sharma

Partner

Mem. No. 075701

UDIN: 22075701AJWAKL6824

Gurugram, 30th May, 2022

ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of "**Bhartiya International Limited**" ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for K A S G & CO.

Chartered Accountants
Firm's Registration No. 002228C

R.B.Sharma

Partner
Mem. No. 075701
UDIN: 22075701AJWAKL6824

Gurugram, 30th May, 2022

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022

Rs. in Lakhs

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I Assets			
1 Non - Current Assets			
(a) Property, Plant and Equipment	4	10,641.88	9,493.53
(b) Capital Work-in-Progress	4.1	811.52	16.28
(c) Right of Use assets	4.3	925.23	800.82
(d) Investment Property	5	524.47	535.38
(e) Intangible Assets	6	52.90	38.59
(f) Investments in Subsidiaries & Associates	7	6,576.09	6,576.09
(g) Financial Assets			
(i) Investments	8	0.01	0.01
(ii) Other financial Assets	9	133.80	111.89
(h) Other Non-Current Assets	10	60.87	51.26
2 Current Assets			
(a) Inventories	11	44,680.49	40,313.19
(b) Financial Assets			
(i) Investments	12	-	-
(ii) Trade receivables	13	8,387.62	7,774.03
(iii) Cash and cash equivalents	14	791.32	489.81
(iv) Bank balances other than cash & cash Equivalents	15	4,244.50	2,181.40
(v) Loans	16	1,082.06	1,149.13
(vi) Others Financial Assets	17	3,026.81	2,885.84
(c) Current Tax assets (net)		106.25	204.39
(d) Other Current Assets	18	2,435.42	2,992.32
TOTAL ASSETS		84,481.24	75,613.96
II Equity and Liabilities			
1 Equity			
(a) Equity Share Capital	19	1,220.71	1,220.24
(b) Other Equity	20	29,138.92	27,920.40
2 Liabilities			
Non - Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	13,221.55	8,388.33
(ii) Lease Liability		421.54	279.68
(ii) Other financial liabilities	22	91.60	84.56
(b) Other non-Current Liabilities	23	122.26	133.74
(c) Deferred Tax Liabilities (Net)	24	835.38	661.66
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	30,020.85	30,680.08
(ii) Lease Liability		84.11	73.35
(iii) Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		413.60	528.39
Total outstanding dues of creditors other than micro enterprises and small enterprises		7,939.40	4,595.56
(iv) Other financial liabilities	27	656.55	668.97
(b) Provisions	28	183.80	149.81
(c) Other Current Liabilities	29	130.97	116.87
(d) Current Tax Liabilities (Net)		-	112.32
TOTAL OF EQUITY AND LIABILITIES		84,481.24	75,613.96

Significant Accounting Policies

The accompanying notes are an integral part of the financial statements 1 to 53

As per our report of even date attached

For K A S G & CO.Chartered Accountants
Firm Reg. No. 002228C**R.B.Sharma**Partner
Mem. No. 075701**Yogesh Kumar Gautam**

Company Secretary

Raj Kumar Chawla

Chief Financial Officer

For and on behalf of the Board**Manoj Khattar**Whole Time Director
DIN: 00694981**Ramesh Bhatia**Director
DIN: 0052320

Gurugram, 30th May, 2022

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Rs. in Lakhs

PARTICULARS	Note No.	Year Ended 31st March, 2022	Year Ended 31st March, 2021
INCOME			
Revenue from Operations	30	53,085.40	39,677.23
Other Income	31	463.56	427.60
Total Income		<u>53,548.96</u>	<u>40,104.83</u>
EXPENSES			
Cost of material consumed	32	31,809.49	20,700.05
Purchases of Stock-in-Trade		335.02	114.84
Change in Inventories of Finished Goods & Work-in-Progress	33	(1,772.29)	376.32
Employee Benefits Expense	34	3,819.34	3,650.89
Finance Costs	35	2,272.86	2,318.12
Depreciation and Amortisation Expense	36	834.80	835.69
Other expenses	37	14,561.00	11,871.10
Total Expenses		<u>51,860.22</u>	<u>39,867.01</u>
Profit / (Loss) before tax for the year		1,688.74	237.82
Tax expenses	38		
i Current tax		327.72	-
ii Deferred tax		166.12	79.95
Profit / (Loss) for the year (A)		<u>1,194.90</u>	<u>157.89</u>
Other Comprehensive Income			
Items that will not be Reclassified to profit or Loss			
Remeasurements of the defined benefit plans		29.68	33.95
Income tax relating to above items		(7.60)	(8.70)
Total Other Comprehensive Income for the Year (B)		<u>22.08</u>	<u>25.25</u>
Total Comprehensive Income for the Year (A+B)		<u>1,216.98</u>	<u>183.12</u>
Earnings per equity share of Face Value			
Basic (in Rupees)		9.79	1.29
Diluted (in Rupees)		9.77	1.29
Significant Accounting Policies			
The accompanying notes are an integral part of the financial statements	1 to 53		

As per our report of even date attached

For K A S G & CO.Chartered Accountants
Firm Reg. No. 002228C**R.B.Sharma**Partner
Mem. No. 075701

Gurugram, 30th May, 2022

Yogesh Kumar Gautam

Company Secretary

Raj Kumar Chawla

Chief Financial Officer

For and on behalf of the Board**Manoj Khattar**Whole Time Director
DIN: 00694981**Ramesh Bhatia**Director
DIN: 0052320

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

A Equity Share Capital Rs. in Lakhs

Particulars	Notes	Amount
Balance as at 31st March, 2020		1,220.19
Change in equity share capital during the year 2020-21	19.1	0.05
Balance as at 31st March, 2021		1,220.24
Change in equity share capital during the year 2021-22	19.1	0.47
Balance as at 31st March, 2022		1,220.71

B Other Equity (Refer Note 20)

Particulars	Application Money Pending for allotment	Employee Stock Options Outstanding	Reserves and Surplus					Total
			Preferential Share Warrant Forfeited	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income (defined benefit plan)	
Balance as at 31st March, 2020	-	230.97	925.75	7,834.46	3,398.51	15,335.41	11.58	27,736.68
Profit for the year	-	-	-	-	-	157.89	-	157.89
Other Comprehensive Income for the year	-	-	-	-	-	-	25.25	25.25
Securities premium on issue of share	-	-	-	2.35	-	-	-	2.35
Transfer to Security premium on issue of share	-	(2.14)	-	-	-	-	-	(2.14)
Transfer from ESOP	-	(118.85)	-	-	118.85	-	-	-
Money Received During the Year	0.37	-	-	-	-	-	-	0.37
Balance as at 31st March, 2021	0.37	109.98	925.75	7,836.81	3,517.36	15,493.30	36.83	27,920.40
Profit for the year	-	-	-	-	-	1,194.90	-	1,194.90
Other comprehensive income for the year	-	-	-	-	-	-	22.08	22.08
Securities premium on issue of share	-	-	-	22.44	-	-	-	-
Transfer to Security premium on issue of share	-	(20.53)	-	-	-	-	-	1.91
Transfer from ESOP	(0.37)	-	-	-	-	-	-	(0.37)
Balance as at 31st March, 2022	-	89.45	925.75	7,859.25	3,517.36	16,688.20	58.91	29,138.92

As per our report of even date attached

For K A S G & CO.

Chartered Accountants
Firm Reg. No. 002228C

R.B.Sharma

Partner
Mem. No. 075701

Gurugram, 30th May, 2022

Yogesh Kumar Gautam

Company Secretary

Raj Kumar Chawla

Chief Financial Officer

For and on behalf of the Board

Manoj Khattar

Whole Time Director
DIN: 00694981

Ramesh Bhatia

Director
DIN: 0052320

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022

Rs. in Lakhs

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before Tax as per Statement of Profit and Loss	1,688.74	237.84
Adjustment for :		
Finance Cost	2,272.86	2,318.12
Depreciation and Amortisation Expenses	834.80	835.70
Loss/(Profit) on sale of Property, Plant & Equipment (net)	7.44	6.24
Rental Income	(291.09)	(294.80)
Dividend Income	-	-
Interest Income	(0.02)	(1.58)
Government Grant Income	(4.44)	(4.17)
Operating Profit/(loss) before Working Capital Changes	4,508.29	3,097.35
Movements in working capital:		
Increase/ (decrease) in trade payables	3,229.05	793.32
Increase/ (decrease) in other financial liabilities	(0.71)	(367.45)
Increase/ (decrease) in other liabilities	14.10	(100.75)
Increase/ (decrease) in provisions	62.02	(45.93)
Decrease/ (increase) in inventories	(4,367.30)	405.79
Decrease/ (increase) trade receivables	(613.59)	(33.50)
Decrease/ (increase) in loan	67.07	(326.89)
Decrease/ (increase) in other current financial assets	(140.97)	(96.38)
Decrease/ (increase) in other current assets	556.90	(1,146.38)
Decrease/ (increase) in other non-current assets	0.02	0.01
Decrease/ (increase) in other non-current financial assets	(20.26)	-
Cash (used in) / Generated from Operations	3,294.62	2,179.19
Income tax paid (Net)	(341.90)	(602.83)
Net Cash (used in)/ Generated from Operating Activities - (A)	2,952.72	1,576.36
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(2,707.33)	(218.86)
Capital advance/Capital creditors (net)	(21.34)	26.02
Proceeds from sale of Property, Plant & Equipment	29.10	4.12
Security deposit	0.01	(1.10)
Rental Income	291.09	294.80
Interest Income	0.02	1.58
Fixed Deposit with bank	(2,063.10)	(1,014.54)
Net Cash from/ (used in) Investing Activities - (B)	(4,471.55)	(907.98)

STANDALONE STATEMENT OF CASH FLOW (CONTD.)

Particulars	Rs. in Lakhs	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings (net)	5,333.47	6,996.33
Proceeds from short-term borrowings (net)	(1,159.48)	(8,416.41)
Payment of Lease Liability	(113.69)	(100.51)
Share Application money received	-	0.37
Share Capital including securities premium	2.01	0.25
Interest and processing fees paid (net)	(2,241.97)	(2,284.00)
Net cash from/ (used in) financing activities - (C)	<u>1,820.34</u>	<u>(3,803.97)</u>
Net increase / (decrease) in cash and cash equivalents - (A+B+C)	301.51	(3,135.59)
Cash and cash equivalents as at beginning of the year	489.81	3,625.40
Cash and cash equivalents as at the end of the year	<u>791.32</u>	<u>489.81</u>
Components of cash and cash equivalents:		
Cash on hand	11.59	23.08
Balances with scheduled banks:		
In current accounts	779.73	466.73
In term deposit (Less than three month)	-	-
Cash and cash equivalents in cash flow statement	<u>791.32</u>	<u>489.81</u>

As per our report of even date attached
For K A S G & CO.
Chartered Accountants
Firm Reg. No. 002228C

R.B.Sharma
Partner
Mem. No. 075701

Yogesh Kumar Gautam
Company Secretary

Raj Kumar Chawla
Chief Financial Officer

For and on behalf of the Board

Manoj Khattar
Whole Time Director
DIN: 00694981

Ramesh Bhatia
Director
DIN: 0052320

Gurugram, 30th May, 2022

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

Bhartiya International Limited ('the Company') is a Public Limited Company with domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on leading stock exchange in India. The Company has its registered office at Chennai and its corporate office at Gurugram, Haryana. The Company is in the business of manufacturing and trading of leather products & textile products.

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015.

The financial statements have been prepared on the historical cost basis except the certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies.

Based on the nature of products/activities and the time between acquisition of assets and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, Plant and Equipment

Freehold land is carried at cost. All other items of property, plant and equipment and Capital work in progress (including Pre-operative expenses) are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

Depreciation is charged on a pro-rata basis at the straight-line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II.

Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term.

3.2 Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and applicable borrowing costs less depreciation and impairment if any.

Depreciation is charged on a pro-rata basis at the straight-line method over estimated economic useful lives of building generally in accordance with that provided in the Schedule II of the Companies Act .

3.3 Intangible Assets

Computer Software

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Amortisation Method and Useful Life

The Company amortizes computer software using the straight-line method over the period of 3 years.

3.4 Lease

Effective from 1st April, 2019, the Company adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing as on 1st April, 2019 using the modified retrospective method on the date of initial application i.e. 1st April, 2019.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

(i) Right-of-use Assets (ROU Assets)

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(iii) Short-Term Leases and Leases of Low-Value Assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.5 Investment In Subsidiaries And Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists permanently, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

3.6 Inventories

Raw materials and consumables have been valued at cost after providing for obsolescence. Cost comprise of cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis. Finished goods are value at cost or net realisable value whichever is lower. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

3.7 Cash & Cash Equivalents

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under other current liabilities.

3.8 Employee Benefits

Defined Contribution Plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

Defined Benefit Plan

Gratuity is a defined benefit obligation. The Company accounts for the gratuity liability, based upon the actuarial valuation performed in accordance with the Projected Unit Credit method carried out at the year end, by an independent actuary.

Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

3.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- Amortised Cost
- Fair Value through Profit and Loss (FVTPL)
- Fair Value through Other Comprehensive Income (FVOCI).

Debt Instruments

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at Amortised Cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(b) Measured at Fair Value through Other Comprehensive Income:

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) Measured at Fair Value through Profit or Loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans and Borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Trade and Other Payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are generally unsecured. Trade and other payable are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Derivative Instruments

The Company enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. These contracts are initially recognised at fair value and subsequently, at the end of each reporting period, re-measured at their fair values on reporting date. The resulting gain or loss is recognised in profit or loss in the same line as the movement in the hedged exchange rate.

3.10 Provision and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

3.11 Revenue Recognition

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and taxes. Transaction price is recognised based on the price specified in the contract, net of discount.

Revenue from Services

Revenue from services is recognised in the accounting period in which the services are rendered.

Other Operating Revenue - Export Incentives

"Export Incentives under various schemes are accounted in the year of export.

Interest Income

Interest income is recognized using the effective interest rate (EIR) method

Dividend Income

Dividend income on investments is recognised when the right to receive dividend is established.

3.12 Foreign Currency Translation

The Company's financial statements are presented in Indian currency, which is also the company's functional currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded in functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3.13 Income Tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in other comprehensive income.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

3.14 Earning Per Share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

3.15 Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

3.16 Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on a straight - line basis over the expected lives of related assets and presented within other income.

3.17 Share Based Payment

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

3.18 Critical Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The Areas Involving Critical Estimates or Judgement Are:

Estimation of Defined benefit obligation

Estimation of current tax expenses and Payable

Useful lives of depreciable assets

Provision and contingent liability

Carry value of investment in subsidiary and associates

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**4. PROPERTY, PLANT AND EQUIPMENT****Rs. in Lakhs**

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computer Equipment	Total
Gross Carrying Amount								
Balance as at 31st March, 2020	223.25	4,879.76	5,611.58	354.31	219.11	378.60	215.45	11,882.06
Addition		301.36	200.02	7.09		16.59	9.47	534.53
Disposal			13.53		13.78	0.86	2.79	30.96
Balance as at 31st March, 2021	223.25	5,181.12	5,798.07	361.40	205.33	394.33	222.13	12,385.63
Addition	-	798.34	895.17	43.03	60.52	38.19	44.32	1,879.57
Disposal					72.19			72.19
Balance as at 31st March, 2022	223.25	5,979.46	6,693.24	404.43	193.66	432.52	266.45	14,193.01
Accumulated Depreciation								
Balance as at 31st March, 2020	-	523.31	1,145.96	124.48	84.71	180.31	164.18	2,222.95
Addition		156.19	398.95	38.63	26.99	47.80	21.16	689.72
Disposal			5.07		12.15	0.71	2.64	20.57
Balance as at 31st March, 2021	-	679.50	1,539.84	163.11	99.55	227.40	182.70	2,892.10
Addition		166.88	406.18	33.01	24.34	42.72	21.55	694.68
Disposal					35.65			35.65
Balance as at 31st March, 2022	-	846.38	1,946.02	196.12	88.24	270.12	204.25	3,551.13
Net Carrying Amount								
Balance as at 31st March, 2021	223.25	4,501.62	4,258.23	198.29	105.78	166.93	39.43	9,493.53
Balance as at 31st March, 2022	223.25	5,133.08	4,747.22	208.31	105.42	162.40	62.20	10,641.88

a) Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance Sheet	Description of item of Property	Gross Carrying Value	Title deeds held in the Name of	Whether title deed holder is a promoter or director or Relative of Promoter Director	Property held since which date	Reason for not being held in the name of the company
PPE	Building	18.50	Pardeep Goyal	Relative of Director	12.08.2000	Due to issue in Registration

- b) All immovable property is held in the name of company except mentioned above.
c) The company has not revalued its Property, Plant and Equipment during the current reporting period.
d) The company does not hold any Benami Property and does not have any proceedings initiated or pending for holding benami property under the Benami Transactions (Prohibitions) Act, 1988.

4.1 Capital Work in Progress

Balance as at 31st March, 2021	16.28
Balance as at 31st March, 2022	811.52

4.1.1 Ageing of Capital Work-in-Progress ageing

	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
31-March, 2022					
Projects in Process	811.52	-	-	-	811.52
31-March, 2021					
Projects in Process	16.28	-	-	-	16.28

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**4.2 RIGHT OF USE ASSETS**

Particulars	Rs. in Lakhs		
	Land	Building	Total
Gross Carrying Amount			
Balance as at 31st March, 2020	532.34	481.37	1,013.71
Addition			
Disposal/Adjustment	-	50.05	50.05
Balance as at 31st March, 2021	532.34	431.32	963.66
Addition	-	235.41	235.41
Disposal/Adjustment		27.07	27.07
Balance as at 31st March, 2022	532.34	639.66	1,172.00
Accumulated Depreciation			
Balance as at 31st March, 2020	12.64	91.46	104.10
Addition	12.64	96.15	108.79
Disposal/Adjustment	-	50.05	50.05
Balance as at 31st March, 2021	25.28	137.56	162.84
Addition	12.64	98.36	111.00
Disposal/Adjustment	-	27.07	27.07
Balance as at 31st March, 2022	37.92	208.85	246.77
Net carrying amount			
Balance as at 31st March, 2021	507.06	293.76	800.82
Balance as at 31st March, 2022	494.42	430.81	925.23

5. INVESTMENT PROPERTIES

Particulars	Buildings	Total
Gross Carrying amount		
Balance as at 31st March, 2020	589.92	589.92
Addition		
Disposal		
Balance as at 31st March, 2021	589.92	589.92
Addition		
Disposal		
Balance as at 31st March, 2022	589.92	589.92
Accumulated Depreciation		
Balance as at 31st March, 2020	43.63	43.63
Addition	10.91	10.91
Disposal		
Balance as at 31st March, 2021	54.54	54.54
Addition	10.91	10.91
Disposal		
Balance as at 31st March, 2022	65.45	65.45
Net Carrying Amount		
Balance as at 31st March, 2021	535.38	535.38
Balance as at 31st March, 2022	524.47	524.47
Fair Value		
As at 31st March, 2021	2,744.77	2,744.77
As at 31st March, 2022	2,696.53	2,696.53

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

5.1 Particulars	Rs. in Lakhs	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Rental income derived from investment properties	252.35	252.35
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Income arising from investment properties before depreciation	<u>252.35</u>	<u>252.35</u>
Depreciation	10.91	10.91
Income from investment properties (Net)	<u>241.44</u>	<u>241.44</u>

5.2 Maturity Analysis of Lease Payments to be received in Aggregate & each of following year:

Particulars	Rs. in Lakhs	
	As at 31st March, 2022	As at 31st March, 2021
Not later than one year	257.24	234.35
Later than one year and not later than five years	1,057.51	982.57
Later than five years	409.09	667.47

5.3 Estimation of Fair Value

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in village/city area.

This valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 fair value hierarchy.

6. INTANGIBLE ASSETS

Particulars	Rs. in Lakhs	
	Computer Software	Total
Gross Carrying Amount		
Balance as at 31st March, 2020	299.73	299.73
Addition	9.58	9.58
Disposal	-	-
Balance as at 31st March, 2021	<u>309.31</u>	<u>309.31</u>
Addition	32.52	32.52
Disposal	-	-
Balance as at 31st March, 2022	<u>341.83</u>	<u>341.83</u>
Accumulated Depreciation		
Balance as at 31st March, 2020	244.44	244.44
Addition	26.28	26.28
Disposal	-	-
Balance as at 31st March, 2021	<u>270.72</u>	<u>270.72</u>
Addition	18.21	18.21
Disposal	-	-
Balance as at 31st March, 2022	<u>288.93</u>	<u>288.93</u>
Net Carrying Amount		
Balance as at 31st March, 2021	38.59	38.59
Balance as at 31st March, 2022	52.90	52.90

- a) There are no intangible assets under development in the company during the current reporting period.
- b) The Company has not revalued its intangible Assets during the current reporting period .

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**7. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES** Rs. in Lakhs

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Shares(Nos)	Amount	Shares(Nos)	Amount
A INVESTMENTS IN WHOLLY OWNED SUBSIDIARIES				
i. Equity Instrument at Cost (Unquoted)				
1 Equity Share of Rs. 10/- each, fully paid in Bhartiya Global Marketing Ltd., India	49,99,020	499.90	49,99,020	499.90
2 Equity Shares of Rs. 10/- each, fully paid in Bhartiya International Sez Ltd., India	1,20,69,230	1,206.92	1,20,69,230	1,206.92
3 Equity Shares of Rs. 10/- each, fully paid in Bhartiya Fashion Retail Ltd., India	5,00,000	50.00	5,00,000	50.00
4 Equity Shares of Rs. 10/- each, fully paid in Bhartiya Urban Infrastructure Ltd., India	50,000	5.00	50,000	5.00
5 Equity Shares in Ultima S.A. ,Switzerland (having par value of SFR 1,000/- each)	1,000	337.86	1,000	337.86
6 Equity Shares in World Fashion Trade Ltd., Hongkong (having par value of \$ 1/- each)	7,09,000	478.14	7,09,000	478.14
Total (A)		2,577.82		2,577.82
B INVESTMENTS IN ASSOCIATES				
i. Equity Instrument at Cost (Unquoted)				
1 Equity Shares of Rs. 10 each, fully paid in Bhartiya Urban Private Limited (Earlier known as Bhartiya City Developers Private Limited)	3,43,93,260	3,999.60	3,43,93,260	3,999.60
2 Equity Shares of Rs. 10 each, fully paid in Tada Mega Leather Cluster Pvt. Ltd.	5,000	0.50	5,000	0.50
Total (B)		4,000.10		4,000.10
Total (A+B)		6,577.92		6,577.92
Aggregate amount of unquoted Investments before impairment		6,577.92		6,577.92
Less: Provision for diminution in value of investment		1.83		1.83
Aggregate amount of unquoted Investments after impairment		6,576.09		6,576.09

8. NON-CURRENT INVESTMENTS

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Units(No.)	Amount	Units(No.)	Amount
A Investments in Mutual Funds (Unquoted)				
At Fair Value through Profit and Loss				
i) Reliance ETF Liquid BeES	1.124	0.01	1.124	0.01
TOTAL		0.01		0.01
Aggregate amount of unquoted Investments		0.01		0.01
Aggregate Amount of Impairment in Value of unquoted Investments		-		-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**9. OTHER NON-CURRENT FINANCIAL ASSETS****Rs. in Lakhs**

Particulars	As at	
	31st March, 2022	31st March, 2021
(Unsecured & Considered Good)		
(a) Security and Other Deposits	102.92	82.66
(b) Loan to Employee	30.88	29.23
TOTAL	<u>133.80</u>	<u>111.89</u>

10. OTHER NON CURRENT ASSETS

(a) Capital Advances	47.48	37.85
(b) Security Deposits With Govt.Authorities	8.63	8.63
(c) Prepayment Lease Rent	4.76	4.78
TOTAL	<u>60.87</u>	<u>51.26</u>

11. INVENTORIES

(a) Raw Materials	27,990.85	27,485.48
(b) Raw Materials -In transit	188.33	87.86
(c) Stock-in-Progress	1,099.39	651.46
(d) Finished Goods	9,796.26	8,471.90
(e) Consumable store	5,605.66	3,616.49
TOTAL	<u>44,680.49</u>	<u>40,313.19</u>

12. CURRENT INVESTMENTS

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Shares (No)	Amount	Shares (No)	Amount
a) Investment In Equity Instrument (Unquoted)				
At Fair Value through Profit and Loss				
i) Sai Rayalaseema Paper Mills Ltd.	31,792	-	31,792	-
Total		-		-
Aggregate Amount of Unquoted Investments		-		-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**13. TRADE RECEIVABLES**

Rs. in Lakhs

Particulars	As at 31st March, 2022	As at 31st March, 2021
<i>(Unsecured, considered good)</i>		
(a) Trade Receivable	7,638.67	7,166.64
(b) Receivable from related parties	748.95	607.39
<i>(refer no no. 53)</i>		
TOTAL	<u>8,387.62</u>	<u>7,774.03</u>

Trade receivable ageing schedule for the year ended as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed -Trade Receivable Considered Good	4,929.15	2,702.22	-	175.77	580.48	-	8,387.62
Total	4,929.15	2,702.22	-	175.77	580.48	-	8,387.62

Trade receivable ageing schedule for the year ended as on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed -Trade Receivable Considered Good	4,939.41	1,714.24	467.60	652.78	-	-	7,774.03
Total	4,939.41	1,714.24	467.60	652.78	-	-	7,774.03

14. CASH AND CASH EQUIVALENT

a) Balances with Banks

In Current Accounts

779.73

466.73

b) Cash on Hand

11.59

23.08

TOTAL**791.32**489.81**15. BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS**

a) Fixed Deposit with the bank

4,238.58

2,174.28

b) Unpaid dividend accounts

5.92

7.12

TOTAL**4,244.50**2,181.40

15.1 Fixed deposits of Rs. 4238.57 Lacs (previous year Rs 2174.28 Lacs) are pledged with the banks for various limits and facilities granted.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

16. CURRENT LOAN	Rs. in Lakhs	
Particulars	As at 31st March, 2022	As at 31st March, 2021
<i>(Unsecured & Considered Good)</i>		
(a) Loans / Advances to related parties <i>(refer note no. 53)</i>	970.91	1,057.72
(b) Loan to Employee	111.15	91.41
TOTAL	<u>1,082.06</u>	<u>1,149.13</u>
17. OTHER CURRENT FINANCIAL ASSETS		
a) Export incentive receivable	1,473.54	1,779.74
b) Insurance claim receivable	132.57	132.57
c) Vat/ Gst Receivable	1,283.98	854.04
d) Other Advance	2.87	51.72
e) Derivatives-foreign exchange forward contract	96.35	21.65
f) Security and Other Deposits	37.50	46.12
TOTAL	<u>3,026.81</u>	<u>2,885.84</u>
17.1	The company's claim of drawback amounting to Rs.33.63 lakhs has been disputed by the commissioner of customs (exports) with the Joint secretary(RA), Ministry of Finance, Department of Revenue, Govt. of India New Delhi, against the favorable order in appeal by the commissioner of custom (Appeals). The Management is confident for the recovery of said amount and hence has not made any provision for bad & doubtful debts against this.	
17.2	Insurance claim receivable amounting to Rs.132.57 lacs is pending since, 2019. During the year draft assessment of claim shared by the insurance company reflects assessed loss of Rs.38.87 Lacs, which was not accepted by the company. Management is confident for recovery of insurance claim by full amount and hence has not made any provision for bad & doubtful debts.	
18. OTHER CURRENT ASSETS		
a) Advances with suppliers	2,072.78	2,611.57
b) Prepaid Expenses	359.65	377.74
c) Other Advances	2.97	2.99
d) Prepayment Lease Rent	0.02	0.02
TOTAL	<u>2,435.42</u>	<u>2,992.32</u>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**19. SHARE CAPITAL****Rs. in Lakhs**

Particulars	As at	
	31st March, 2022	31st March, 2021
Authorised Share Capital		
a) 20,000,000 (31st March, 2021: 20,000,000) Equity Shares of Rs. 10/- each	2,000.00	2,000.00
b) 500,000 (31st March, 2021: 500,000) Preference Shares of Rs. 100/- each	500.00	500.00
	<u>2,500.00</u>	<u>2,500.00</u>
Issued, Subscribed & Paid Up :		
a) 12,207,129 (31st March, 2021: 12,202,369) Equity Shares of Rs.10/- each fully paid Up.	1,220.71	1,220.24
TOTAL	<u>1,220.71</u>	<u>1,220.24</u>

19.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,22,02,369	1,220.24	1,22,01,869	1,220.19
Shares Issued during the year	4,760	0.47	500	0.05
Shares outstanding at the end of the year	<u>1,22,07,129</u>	<u>1,220.71</u>	<u>1,22,02,369</u>	<u>1,220.24</u>

19.2 The details of Shareholders holding more than 5% shares

Name of the Share holders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
(a) Snehdeep Aggarwal	11,43,362	9.37	11,43,362	9.37
(b) Bhartiya Infotech Pvt. Ltd.	10,10,000	8.27	10,10,000	8.28
(c) Bhartiya Global Ventures Pvt. Ltd.	30,47,100	24.96	30,47,100	24.97
(d) Bhartiya Advisory Services Pvt. Ltd.	6,81,913	5.59	6,81,913	5.59
(e) TIMF Holdings	7,06,474	5.79	7,06,474	5.79

19.3 Shares Reserved for issue under options

Particulars	As at	
	31st March, 2022	31st March, 2021
	No. of Shares	No. of Shares
a) Under 2013 employee stock option plan : Equity share of Rs.10/- each, at an exercise price of Rs.50/- per share	20,751	25,511

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**Rs. in Lakhs**

- 19.4 Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date, wherever applicable is given below:

Particulars	31st March, 2022	31st March, 2021	31st March, 2020	31st March, 2019	31st March, 2018
Shares issued during the period of five Years immediately preceding the reporting date on exercise of option granted under the Employee Stock Option Plan (ESOP) wherein part consideration was received in form of employee services.	4,760	500	7,695	12,920	40,309

- 19.5 Share held by promoter at 31st March, 2022

Promoter Name	No. of Shares	% of Total Shares	% Change during the year
Snehdeep Aggarwal	11,43,362	9.37%	-
Ramesh Bhatia	3,40,250	2.79%	-
Promoters Group			
Arjun Aggarwal	4,96,150	4.06%	-
Kanwal Aggarwal	1,90,374	1.56%	-
Snehdeep Aggarwal HUF	50,000	0.41%	-
Parushni Aggarwal	7,500	0.06%	-
Pavan Aggarwal	5,000	0.04%	-
Bhartiya Global Venture Pvt. Ltd.	30,47,100	24.96%	-
Bhartiya Infotech Pvt. Ltd.	10,10,000	8.27%	-
Bhartiya Advisory Services Pvt. Ltd.	6,81,913	5.59%	-
R.L Bhatia Associates Pvt. Ltd.	30,000	0.25%	-

- 19.6 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. 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.

- 19.7 During the Year, the company has allotted 4760 Equity share of Rs.10/- each fully paid to its employees under Employee Stock Option Plan (ESOP 2013).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Particulars	Rs. in Lakhs							
	Application Money Pending for allotment	Employee Stock Options Outstanding	Preferential Share Warrant Forfeited	Securities Premium	General Reserve	Retained Earnings	Other Comprehensive Income (defined benefit plan)	Total
Balance as at 31st March, 2020	-	230.97	925.75	7,834.46	3,398.51	15,335.41	11.58	27,736.68
Profit for the year	-	-	-	-	-	157.89	-	157.89
Other Comprehensive Income for the year	-	-	-	-	-	-	25.25	25.25
Securities premium on issue of share	-	-	-	2.35	-	-	-	2.35
Transfer to Security premium on issue of share	-	(2.14)	-	-	-	-	-	(2.14)
Transfer from ESOP	-	(118.85)	-	-	118.85	-	-	-
Money Received During the Year	0.37	-	-	-	-	-	-	0.37
Balance as at 31st March, 2021	0.37	109.98	925.75	7,836.81	3,517.36	15,493.30	36.83	27,920.40
Profit for the year	-	-	-	-	-	1,194.90	-	1,194.90
Other comprehensive income for the year	-	-	-	-	-	-	22.08	22.08
Transfer to Security premium on issue of share	-	(20.53)	-	22.44	-	-	-	1.91
Transfer from ESOP	(0.37)	-	-	-	-	-	-	(0.37)
Balance as at 31st March, 2022	-	89.45	925.75	7,859.25	3,517.36	16,688.20	58.91	29,138.92

Component of other Equity

Securities Premium Represents amount received in excess of face value on issue of equity shares which may be utilised for purposes specified u/s 52(2) of the Companies Act, 2013.

General Reserve Represents accumulated profits set apart by way of transfer from current year profits or/and retained earnings for "other than specified purposes".

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**21. NON-CURRENT BORROWINGS****Rs. in Lakhs**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured		
- Term Loans from Banks	13,162.51	8,371.16
- Vehicle Loans from Banks	59.04	17.17
TOTAL	<u>13,221.55</u>	<u>8,388.33</u>

Above total is net of instalments falling due within a year in respect of all the above Loans aggregating of Rs. 2363.48 lakhs (31st March, 2021 Rs. 1863.22 Lakhs) that have been grouped under "Current Borrowing". (Refer No. 25).

Nature of Security and Terms of Repayment for Long Term Secured Borrowings:

	Nature of Security	Terms of Repayment
21.1	Term Loans from HDFC Bank, balance outstanding amounting to Rs NIL (31st March, 2021 Rs.43.41 lacs) is secured by Exclusive charge on the Machinery funded and personal guarantee of one of the Director.	The Loan is repayable in 15 Quarterly Installment starting from September 2017. Last installment due in June 2021. Rate of interest 8.80 % p.a. as at year end (previous year - 10.25 %)
21.2	Term Loans from HDFC Bank, subsequent disbursement, balance outstanding amounting to Rs NIL (31st March, 2021 Rs. 9.90 lacs) is secured by Exclusive charge on the Machinery funded and personal guarantee of one of the Director.	The Loan is repayable in 15 Quarterly Installment starting from September 2017. Last installment due in June 2021. Rate of interest 8.80 % p.a. as at year end (previous year - 10.25 %)
21.3	Term Loans from HDFC Bank, balance outstanding amounting to Rs 110.60 lacs (31st March, 2021 is Rs. 250.60 lacs) is secured by First Charge on the commercial property situated at Institutional Plot No 38, Sector 44, Gurugram and personal guarantee of one of the Director.	The loan is repayable in 20 quarterly Installment starting from Nov 2017. Last installment due in Nov 2022. Rate of Interest 8.15 % p.a. as at year end (Previous Year 8.30 %)
21.4	Term Loans from HDFC Bank, balance outstanding amounting to Rs. 1552.70 lacs (31st March, 2021 is Rs.1850.42 lacs) is secured by First Charge on the commercial property situated at Institutional Plot No 38, Sector 44, Gurugram and personal guarantee of one of the Director.	Repayable in 40 Quarterly Installment starting from Oct, 2018. Last installment due in Aug 2028. Rate of Interest 8.15 % p.a. as at year end (Previous Year 8.40 %.)
21.5	Term Loans from HDFC Bank, balance outstanding amounting to Rs 40.68 lacs (31st March, 2021 is Rs. 92.16 lacs) is secured by First Charge on the commercial property situated at Institutional Plot No 38, Sector 44, Gurugram and personal guarantee of one of the Director.	The loan is repayable in 19 quarterly Installment starting from Feb 2018. Last installment due in Nov 2022. Rate of Interest 8.20 % p.a. as at year end (Previous Year 8.35 %)
21.6	Term Loan from Yes Bank, balance outstanding amounting to Rs. NIL (31st March, 2021 Rs. 228.00 lacs) is secured by exclusive charge on the immovable property situated at Khasra No 1,2,3 in Akkampeta Village and Khasra No 287 & 288 Kadlauru Village, Tada Mandal, Nellore District, Andhara Pradesh & hypothecation on movable fixed assets situated on said plot .	The Loan is repayable in 20 Quarterly Installment starting from July 2019. Last installment due in Oct 2024. Rate of interest 10.35 % p.a. as at year end.(Previous Year 10.35%)
21.7	Term Loan from Yes Bank, balance outstanding amounting to Rs. NIL (31st March, 2021 Rs. 225.00) is secured by exclusive charge on the immovable property situated at Khasra No 1,2,3 in Akkampeta Village and Khasra No 287 & 288 Kadlauru Village, Tada Mandal, Nellore District, Andhara Pradesh & hypothecation on movable fixed assets situated on said plot .	The Loan is repayable in 20 Quarterly Installment starting from June 2018. Last installment due in Jun 2024. Rate of interest 10.35 % p.a. as at year end (previous year - 10.35 %)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Nature of Security and Terms of Repayment for Long Term Secured Borrowings:

	Nature of Security	Terms of Repayment
21.8	Term Loans from Union Bank, balance outstanding amounting to Rs NIL lacs (31st March, 2021 Rs. 258.33 lacs) is secured by First pari passu charge on Inventory, Book debts and other current assets of the company present and future along with other working capital lenders .	The Loan is repayable in 18 Monthly Installment starting from Jan 2021. Last installment due in Jun 2022. Rate of interest 8.00 % p.a. as at year end.
21.9	Term Loans from HDFC Bank, balance outstanding amounting to Rs NIL lacs (31st March, 2021 is Rs. 550.00 lacs) is Secured by the Post dated cheques and Personal Guarantee of one Director.	The loan is repayable in 2 Equal Installment starting from Apr 2021. Last installment due in May 2021. Rate of Interest 9.00 % p.a. as at year end.
21.10	Term Loans from INDUSIND Bank, balance outstanding amounting to Rs 4362.55 lacs (31st March, 2021 is Rs. 4888.09 lacs) is secured by Equitable Mortgage of 9 acres 81 cents land situated in Tamil Nadu. Personal Guarantee of one Director.	The Loan is repayable in 23 Quarterly Installment starting from Sep 2020. Last installment due in Mar 2026. Rate of interest 11.00 % p.a. as at year end .
21.11	Term Loans from SBI Bank, balance outstanding amounting to Rs 508.59 lacs (31st March, 2021 is Rs. 560.00 lacs) . Secured by all existing securities given for Working Capital Loan	The Loan is repayable in 48 Monthly Installment starting from Feb 2022. Last installment due in Jan 2026. Rate of interest 7.95 % p.a. as at year end .
21.12	Term Loans from SBM Bank, balance outstanding amounting to Rs 892.76 lacs (31st March, 2021 is Rs. 983.00 lacs) is secured by second charge on the entire current assets of the company both present and future. Personal Guarantee of one Director.	The Loan is repayable in 48 Monthly Installment starting from Feb 2022. Last installment due in Jan 2026. Rate of interest 9.25 % p.a. as at year end .
21.13	Term Loan from Yes Bank, balance outstanding amounting to Rs. NIL lacs (31st March, 2021 Rs. 39.04 lacs) .Secured by all existing securities given for various Loans.	The Loan is repayable in 20 Quarterly Installment starting from Jul 2020. Last installment due in Jul 2025. Rate of interest 10.35 % p.a. as at year end .
21.14	Term Loan from YesBank, balance outstanding amounting to Rs. NIL lacs (31st March, 2021 Rs. 344.00 lacs) is secured by second charge on Immoveable fixed (Land & Building) of the plot admeasuring 20.01 acres, Located at khasra no. 1,2,3, in Akkampeta Village and Khasra no.287 & 288 Kadaluru village, Tada mandal, Nellore District,Andhra Pradesh.	The Loan is repayable in 48 Monthly Installment starting from Mar 2022. Last installment due in Feb 2026. Rate of interest 8.85 % p.a. as at year end .
21.15	Term Loans from HDFC Bank, balance outstanding amounting to Rs 1421.52 lacs (31st March,, 2021 is Rs. NIL lacs). Secured by all existing securities given for various Loans.	The Loan is repayable in 48 Monthly Installment starting from Jul 2022. Last installment due in Jun 2026. Rate of interest 7.50 % p.a. as at year end .
21.16	Term Loans from INDUSIND Bank, balance outstanding amounting to Rs 1780.00 lacs (31st March, 2021 is Rs. NIL lacs). Secured by all existing securities given for various Loans.	The Loan is repayable in 48 Monthly Installment starting from May 2022. Last installment due in Oct 2025. Rate of interest 7.75 % p.a. as at year end .
21.17	Term Loans from SBI Bank, balance outstanding amounting to Rs 1298.94 lacs (31st March, 2021 is Rs. NIL lacs). Secured by all existing securities given for Various Loans.	The Loan is repayable in 48 Monthly Installment starting from Feb 2024. Last installment due in Jan 2028. Rate of interest 7.95 % p.a. as at year end .
21.18	Term Loans from Union Bank, balance outstanding amounting to Rs 584.64 lacs (31st March, 2021 is Rs. NIL lacs) . Secured by all existing securities given for various Loans.	The Loan is repayable in 48 Monthly Installment starting from March 2022. Last installment due in Feb 2026. Rate of interest 7.80 % p.a. as at year end .

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**Nature of Security and Terms of Repayment for Long Term Secured Borrowings:**

	Nature of Security	Terms of Repayment
21.19	Term Loans from Union Bank, balance outstanding amounting to Rs 1870.03 lacs (31st March, 2021 is Rs. NIL lacs) . Secured by all existing securities given for various Loans.	The Loan is repayable in 48 Monthly Installment starting from Jan 2024. Last installment due in Jan 2028. Rate of interest 7.80 % p.a. as at year end .
21.20	Term Loans from HDFC Bank, balance outstanding amounting to Rs 1179.56 lacs (31st March, 2021 is Rs. NIL lacs). is secured by exclusive Charge on the commercial property situated at Institutional Plot No 38, Sector 44, Gurugram and personal guarantee of one of the Director	The Loan is repayable in 20 Quarterly Installment starting from June 2024. Last installment due in March 2029. Rate of interest 8.20 % p.a. as at year end.
21.21	Vehicle Loans are secured by way of hypothecation of vehicles financed by the Bank.	

22. OTHER NON CURRENT LIABILITIES**Rs. in Lakhs**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Security Deposit with Related Parties	91.60	84.56
TOTAL	<u>91.60</u>	<u>84.56</u>

23. OTHER NON-CURRENT LIABILITY

(a) Government Grant	52.57	57.02
(b) Advance Lease Rent	69.69	76.72
TOTAL	<u>122.26</u>	<u>133.74</u>

24. DEFERRED TAX LIABILITY/ (ASSETS)**Deferred Tax Liabilities**

a) Related to Fixed Assets	824.36	755.76
b) Related to IND AS adjustment	24.25	-

Deferred Tax Assets

a) Related to Business Losses	-	(85.20)
b) Related to IND AS adjustment	(13.23)	(8.90)
TOTAL	<u>835.38</u>	<u>661.66</u>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**25. CURRENT BORROWING****Rs. in Lakhs**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured		
- Working Capital Loans From Banks	27,657.37	28,816.85
- Current Maturities of Long Term Debt	2,363.48	1,863.23
TOTAL	<u>30,020.85</u>	<u>30,680.08</u>

25.1 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.

26. TRADE PAYABLE

(a) Acceptances	1,384.99	3,046.48
(b) Payable to others than Micro and small Enterprises	5,729.22	691.97
(c) Payable to Related Parties <i>(refer note no 53)</i>	825.19	857.11
(d) Payable to Micro and Small Enterprises	413.60	528.39
TOTAL	<u>8,353.00</u>	<u>5,123.95</u>

Due to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) The principal amount remaining unpaid to any supplier at the end of the year	413.60	528.39
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**Trade Payable ageing Schedule for the year ended as on 31st March, 2022**

Rs. in Lakhs

Particulars	Outstanding for following period from due date of payment				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Dues to MSME	413.60	-	-	-	413.60
Others	7,145.33	-	-	794.07	7,939.40
Total Trade Payable	7,558.93	-	-	794.07	8,353.00

Trade Payable ageing Schedule for the year ended as on 31st March, 2021

Particulars	Outstanding for following period from due date of payment				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Dues to MSME	528.39	-	-	-	528.39
Others	3,738.45	-	455.97	401.14	4,595.56
Total Trade Payable	4,266.84	-	455.97	401.14	5,123.95

27. OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Interest Accrued	53.58	57.51
(b) Unpaid dividend	5.92	7.12
(c) Due to employee	243.98	221.80
(d) Expenses payable	187.00	219.40
(e) Statutory Dues Payable	157.58	144.95
(f) Capital Creditors	6.48	18.19
(g) Other Payable	2.01	-
TOTAL	656.55	668.97

28. PROVISIONS

(a) Provision for Employees Benefits	183.80	149.81
TOTAL	183.80	149.81

29. OTHER CURRENT LIABILITIES

(a) Advance from Customer	130.97	116.87
TOTAL	130.97	116.87

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

30. REVENUE FROM OPERATIONS		Rs. in Lakhs	
Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021	
Sales of Products			
(a) Manufactured Goods	50,379.10	37,859.35	
(b) Stock-in-trade	473.21	163.80	
Other Operating Revenues			
(a) Export Incentives	1,566.26	1,966.56	
(b) Foreign Exchange Gain	666.83	(312.47)	
TOTAL	<u>53,085.40</u>	<u>39,677.24</u>	
30.1 Reconciliation of Revenue recognised in Statement of Profit and Loss with contracted price			
Revenue as per contracted price	50,906.09	38,058.76	
Less: Discount, rebates etc.	53.78	35.61	
Total Revenue from Contract with Customers	<u>50,852.31</u>	<u>38,023.15</u>	
30.2 Revenue by Location of Customers			
India	1,566.28	2,036.71	
Outside India	49,286.03	35,986.44	
Total Revenue from Contract with Customers	<u>50,852.31</u>	<u>38,023.15</u>	
31. OTHER INCOME			
(a) Interest Income from loan & advances	0.02	1.58	
(b) Other non operating income			
- Rental Income	291.09	294.80	
- Other Income	172.45	131.22	
TOTAL	<u>463.56</u>	<u>427.60</u>	
32. COST OF MATERIALS CONSUMED			
Opening Stock	31,189.83	31,219.30	
Add : Purchases	<u>34,404.50</u>	<u>20,670.58</u>	
	65,594.33	51,889.88	
Less : Closing Stock	<u>33,784.84</u>	31,189.83	
MATERIALS CONSUMED	<u>31,809.49</u>	<u>20,700.05</u>	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Particulars	Rs. in Lakhs	
	Year Ended 31st March, 2022	Year Ended 31st March, 2021
33. CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
(a) Opening Stock	9,123.36	9,499.68
(b) Closing Stock	10,895.65	9,123.36
Decrease/(Increase)	<u>(1,772.29)</u>	<u>376.32</u>
34. EMPLOYEE BENEFIT EXPENSES		
(a) Salary & Allowances	3,385.06	3,243.62
(b) Contribution to Provident & Other fund	231.51	240.90
(c) Staff Welfare Expenses	202.77	166.37
TOTAL	<u>3,819.34</u>	<u>3,650.89</u>
35. FINANCE COST		
(a) Interest Expense- Net	1,956.41	1,884.63
(b) Borrowing Cost	213.37	331.28
(c) Interest on Lease Liability	30.89	34.12
(d) Exchange difference regarded as an adjustment to borrowing cost	72.19	68.09
TOTAL	<u>2,272.86</u>	<u>2,318.12</u>
36. DEPRECIATION AND AMORTISATION		
(a) Depreciation on Property Plant and Equipment	694.68	689.72
(b) Amortisation on Intangible Assets	18.21	26.28
(c) Depreciation on Investment Property	10.91	10.91
(d) Amortisation on Right of Use Assets	111.00	108.79
TOTAL	<u>834.80</u>	<u>835.70</u>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**37. OTHER EXPENSES****Rs. in Lakhs**

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<u>(I) Manufacturing Expenses</u>		
(a) Fabrication Charges	9,153.12	7,984.00
(b) Other Manufacturing Expenses	395.93	323.13
(c) Freight & Cartage	29.91	68.25
 <u>(II) Selling & Administrative Expenses</u>		
(a) Legal And Professional Charges	1,261.19	791.59
(b) Power & Fuel	203.69	150.34
(c) Bank Charges	371.56	342.56
(d) Repair & Maintenance		
- Building	44.82	50.64
- Plant & Machinery	193.75	67.58
- Others	533.56	428.12
(e) Communication	58.01	60.26
(f) Rates Taxes & Duties	26.45	65.20
(g) Insurance	173.42	110.12
(h) Rent	83.32	55.36
(i) Travelling & Conveyance	573.17	452.87
(j) Freight on Exports	741.92	372.12
(k) Commission, Brokerage & Discount	119.39	110.45
(l) Loss on Sale /Discard of Property, Plant & Equipment	7.44	6.24
(m) Misc. Expenses	410.65	319.47
(n) Expenditure towards CSR activities	103.47	81.85
(o) Directors Meeting Fees	4.81	4.43
(p) Packing Expenses	71.42	26.50
TOTAL	<u>14,561.00</u>	<u>11,871.08</u>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**38. TAX EXPENSES****Rs. in Lakhs**

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
I) Current Tax		
Current Tax on taxable income for the year	327.72	-
II) Deferred Tax		
Relating to origination and reversal of temporary differences	166.12	79.95
Income tax expenses reported in statement of profit and loss	<u>493.84</u>	<u>79.95</u>
Effective Income Tax Rate	29.24%	33.62%

38.1 A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Accounting profit before tax	1,688.74	237.84
Statutory income tax rate (%)	25.17	25.17
Computed tax expenses	425.02	59.86
Tax in respect of earlier years	11.93	-
Deduction under section 24 of income tax act	(19.05)	(19.46)
Non-Deductible expenses for tax purpose	75.94	39.55
Income tax charge to statement of profit and loss account	<u>493.84</u>	<u>79.95</u>

38.2 Deferred Tax Assets /(Liability)

Opening Balance	(661.66)	(573.01)
Add: Deferred Tax charged/ (credited) to profit & loss account during the year	(166.12)	(79.95)
Add: Deferred Tax charged/ (credited) to Other Comprehensive Income during the year	-	(8.70)
	<u>(7.60)</u>	-
Closing Balance	<u>(835.38)</u>	<u>(661.66)</u>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**39. CONTINGENT LIABILITIES**

Rs. in Lakhs

Particulars	As at	As at
	31st March, 2022	31st March, 2021
i) Letter of Credit / Import Bills outstanding -	3,274.58	734.11
ii) Standby Letter of credit (SBLC) issued by company bankers in favour of the bankers of its subsidiaries		
- Ultima S A	8,689.13	8,849.21
iii) Corporate Guarantee given by the company to a bank against facilities granted by that bank to its wholly owned subsidiaries Ultima SA, Ultima Italia Srl. & World Fashion Trade Ltd.	418.90	428.93
iv) Karnataka Vat Demand Under dispute	56.60	56.60
v) Andhra Pradesh GST Demand Under dispute	71.78	-
vi) Income tax Demand under dispute	50.75	-

40. CAPITAL AND OTHER COMMITMENTS

Particulars	As at	As at
	31st March, 2022	31st March, 2021
i) Commitments under import of goods & capital goods at concessional rate of custom duty.	14135.89	213.34
ii) Estimated Value of contract remaining to be executed on capital account	94.24	-

41. EMPLOYEE BENEFITS PLANS

The details of various employee benefits provided to employees are as under:

a) Defined Contribution Plans

Particulars	For the Year Ended	For the Year Ended
	31st March, 2022	31st March, 2021
Detail of amount recognised as expense for defined contribution plans is given below:		
a) Provident Fund*	174.51	174.24
b) Employees State Insurance Corporation	1.63	1.17

b) Defined Benefit Plans

The Defined benefit plan of the Company includes entitlement of gratuity for each year of service until the retirement age.

i) **The principal assumptions used for the purposes of the actuarial valuations were as follows:**

Principal Assumptions	Gratuity	
	As at	As at
	31st March, 2022	31st March, 2021
Expected return on plan assets	7.20%	6.80%
Discount rate	7.20%	6.80%
Salary Increase Rate	5.00%	3% for one year and 6% thereafter
Employee Turnover	5.00%	5.00%
In service Mortality	IALM (2012-14)	IALM (2012-14)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Rs. in Lakhs

ii) Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	Gratuity	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Current Service Cost	59.40	63.33
Net Interest Expenses	(4.57)	1.00
Past Service Cost	-	-
Components of defined benefit costs recognised in profit or Loss	54.83	64.33
Re-measurement on the Net Defined Benefit liability:		
Actuarial (gains)/ losses on obligation for the year	(28.17)	(2.52)
Return On Plan Assets	(1.51)	(31.44)
Net (Income)/Expenses for the year ended recognized in OCI	(29.68)	(33.96)

iii) The amount included in the Balance Sheet arising from the entity's obligation in respect of its Defined Benefit Obligation

Particulars	Gratuity	
	As at 31st March, 2022	As at 31st March, 2021
Present Value of Defined Benefit Obligation	419.03	390.62
Fair Vale of Plan Asset	(449.91)	(419.85)
Net Liability arising from Defined Benefit Obligation	(30.88)	(29.23)

iv) Movements in the present value of the defined benefit obligation are as follows:

Particulars	Gratuity	
	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
Opening Defined Obligation	390.62	361.58
Interest Cost	23.98	22.20
Current Service Cost	59.40	63.33
Past Service Cost	-	-
Benefits Paid Directly by the Employer	(26.80)	(53.97)
Actuarial (gains)/ Losses	(28.17)	(2.52)
Closing Defined Benefit Obligation	419.03	390.62

v) Movements in the Fair Value of the Plan Assets are as follows:

Opening fair Value of Plan assets *	419.85	321.21
Interest Income	28.55	21.20
Contribution by the Employer	-	46.00
Return On Plan Assets Excluding Interest Income	1.51	31.44
Closing fair Value of Plan Assets	449.91	419.85

*** Fund managed by the approved insurance company Kotak Life Insurance**

Investment With Insurer	100.00%	100.00%
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NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**Sensitivity Analysis****Rs. in Lakhs**

A quantitative sensitivity analysis for significant assumptions as at 31st March, 2022 is as follows:

Particulars	Increase Effect	Decrease Effect
Effect of Increase/decrease in discount rate by 0.50% on Defined benefit obligations	(406.17)	432.72
Effect of Increase/decrease in salary escalation by 0.50% on Defined benefit obligations	432.94	(405.85)

A quantitative sensitivity analysis for significant assumptions as at 31st March, 2021 is as follows:

Particulars	Increase Effect	Decrease Effect
Effect of Increase/decrease in discount rate by 0.50% on Defined benefit obligations	(377.10)	405.07
Effect of Increase/decrease in salary escalation by 0.50% on Defined benefit obligations	405.14	(376.92)

The sensitivity analysis above has been determined on the basis of actuarial certificate.

42. EARNING PER SHARE

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Profit/(loss) for the year	1,194.90	157.89
No. of share at the beginning of the year (A)	1,22,02,369	1,22,01,869
Equity Allotted during the year	4,760	500
Weighted Average Shares (B)	4,708	177
Weighted Average shares outstanding (nos.) (A+B)	1,22,07,077	1,22,02,046
Effect of Diluted Number of Share		
Add:- Employee Stock Option Plan	18,594	22,859
Add:- Convertible Preferential Share Warrant	-	-
Weighted average number of equity share for diluted earning per share	1,22,25,671	1,22,24,905
Basic earning per share	9.79	1.29
Diluted earning per share	9.77	1.29

43. Export Promotion Capital Goods (EPCG)

Export Promotion Capital Goods (EPCG) Scheme allows import of certain capital goods at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant.

- 44.** During the year the company has filed objections before the "Dispute Resolution Panel" against the Draft Assessment Orders issued under section 144C of the Income Tax Act 1961 showing enhancement of taxable income by Rs. 29.15 crore and 12.83 crore for the Financial Year 2016-17 & 2017-16 respectively. Which is pending as on balance sheet date.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**45. Employee Stock Option Plan****Rs. in Lakhs**

The Company instituted an Employees Stock Option Plan ('ESOP 2013') pursuant to the Nomination and Remuneration Committee (Earlier Compensation Committee) and Shareholders' resolution dated September 23, 2013. As per ESOP 2013, the Company had granted the below stock options:

On 28th January, 2014 – 50,000 stock options.

On 16th September, 2015 – 1,55,800 stock options

On 31st December, 2015 – 8,850 stock options

On 3rd February, 2018 – 30,000 stock options

On 5th April, 2018 – 30,000 stock options

These options comprises equal number of equity shares to be allotted in one or more tranches to the eligible employees of the Company and its subsidiaries.

The details of the ESOPs granted so far are provided below:

Grant Date	April 5, 2018			
Vesting tranche	Vesting I	Vesting II	Vesting III	Vesting IV
Vesting date	April 05, 2019	April 05, 2020	April 05, 2021	April 05, 2022
%age of vesting	16.67	16.67	16.66	50.00
Exercise Price (in Rs.)	330.00	330.00	330.00	330.00

Grant Date	February 03, 2018			
Vesting tranche	Vesting I	Vesting II	Vesting III	Vesting IV
Vesting date	February 03, 2019	February 03, 2020	February 03, 2021	February 03, 2022
%age of vesting	10.00	20.00	30.00	40.00
Exercise Price (in Rs.)	450.00	450.00	450.00	450.00

Grant Date	December 31, 2015			
Vesting tranche	Vesting I	Vesting II	Vesting III	Vesting III
Vesting date	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2018
%age of vesting	33.00	33.00	34.00	34.00
Exercise Price (in Rs.)	50.00	50.00	50.00	50.00

Grant Date	September 16, 2015			
Vesting tranche	Vesting I	Vesting II	Vesting III	Vesting III
Vesting date	September 16, 2016	September 16, 2017	September 16, 2018	September 16, 2018
%age of vesting	33.00	33.00	34.00	34.00
Exercise Price (in Rs.)	50.00	50.00	50.00	50.00

Grant Date	January 28, 2014			
Vesting tranche	Vesting I	Vesting II	Vesting III	Vesting II
Vesting date	1st February, 2015	1st March, 2015	1st March, 2015	1st March, 2015
%age of vesting	50	50	50	50
Exercise Price (in Rs.)	156	156	156	156

The Company uses the fair value for determination of the employee stock compensation expense.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**Rs. in Lakhs**

The activity in the Employees Stock Option Plan during the year ended 31st March, 2022 is as under:

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Number of options outstanding at the beginning of the period	25,511	91,823
Number of options granted during the year	-	-
Number of options forfeited / lapsed during the year	-	65,812
Number of options vested during the year	-	14,000
Number of options exercised during the year	4,760	500
Number of shares arising as a result of exercise of options	4,760	500
Money realized by exercise of options (INR), if scheme is implemented directly by the company	Rs. 2,38,000	Rs. 25,000
Loan repaid by the Trust during the year from exercise price received	NA	NA
Number of options outstanding at the end of the year	20,751	25,511
Number of options exercisable at the end of the year	20,751	25,511

A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

Date of Grant	September 16, 2015	December 31, 2015	February 03, 2018	April 5, 2018
Weighted average share price	Rs. 468.70	Rs 521.15	Rs. 463.55	Rs. 216.15
Exercise price	Rs. 50.00	Rs. 50.00	Rs. 450.00	Rs. 330.00
Expected volatility	29.24%	33.10%	25.71%	36.78%
Option life (comprising of weighted average of vesting period and exercise period)	7 years	7 years	8 years	5.50 years
Expected dividends	0.21%	0.19%	0.26%	0.29%
Risk free rate of return	8.17%	7.96%	7.82%	7.22%

46. DETAILS OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Amount required to be spent by the company during the year	40.52	53.84
(b) Amount of expenditure incurred	103.47	81.85
(c) Shortfall at the end of the year	14.62	53.84
(d) Total of previous years shortfall	-	23.73
(e) Reason for shortfall	Pertain to ongoing projects	Pertain to ongoing projects
(f) Nature of CSR Activities	Rural Development, Education, Health & Sanitation	Rural Development, Education
(g) Details of related party transaction	NIL	NIL
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision.	N.A	N.A

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

47. Segment Reporting Disclosure

Rs. in Lakhs

The company primarily operates in the Fashion apparels and accessories segment. The Fashion apparels and accessories segment includes Leather products, Textiles products and intermediaries.

As defined in Ind AS 108, the chief operating decision maker (CODM) evaluates the Group's performance, allocate resources based on the analysis of the various performance indicator of the Group as a single unit. Therefore, there is no reportable segment for the Group as per the requirement of Ind AS 108 "Operating Segments".

48. PAYMENT TO AUDITOR (INCLUDED IN LEGAL AND PROFESSIONAL CHARGES)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Audit Fees	14.00	11.50
Limited Review	4.50	4.50
Reimbursement of Expenses	1.50	1.50
Certification	0.36	0.34

49. Fair Value Measurement

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants.

The following Methods and Assumptions were used to Estimate the Fair Values:

Trade receivables, cash and cash equivalents, other bank balances, short term loans, other current financial assets, current borrowings, trade payables and other current financial liabilities: approximate their carrying amounts largely due to the short-term maturities of these instruments.

Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house.

The fair values for loans, security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques.

The following is the basis for categorising the financial instruments measured at fair value into Level 1 to Level 3 :

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Particulars	Rs. in Lakhs			
	As at 31st March, 2022			
	Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3
Financial Assets				
At Amortised Cost				
Trade Receivable	8,387.62	-	-	8,387.62
Cash & cash equivalents	791.32	-	-	791.32
Other bank balance	4,244.50	-	-	4,244.50
Loans	1,082.06	-	-	1,082.06
Other financial Assets	3,064.26	-	-	3,064.26
At FVTPL				
Investments	0.01	0.01	-	-
Other financial assets	96.35	-	96.35	-
Financial Liabilities				
At Amortised Cost				
Borrowings	43,242.40	-	-	43,242.40
Trade payables	8,353.00	-	-	8,353.00
Other financial liabilities	748.15	-	-	748.15
At FVTPL				
Other financial liabilities	-	-	-	-
<hr/>				
Particulars	As at 31st March, 2021			
	Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3
Financial Assets				
At Amortised Cost				
Trade Receivable	7,774.03	-	-	7,774.03
Cash & cash equivalents	489.81	-	-	489.81
Other bank balance	2,181.40	-	-	2,181.40
Loans	1,149.13	-	-	1,149.13
Other financial assets	2,976.08	-	-	2,976.08
At FVTPL				
Investments	0.01	0.01	-	-
Other financial assets	21.65	-	21.65	-
Financial Liabilities				
At Amortised Cost				
Borrowings	39,068.41	-	-	39,068.41
Trade payables	5,123.95	-	-	5,123.95
Other financial liabilities	753.53	-	-	753.53
At FVTPL				
Other financial liabilities	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

50. Capital Management

Rs. in Lakhs

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Particulars	As at 31st March, 2022	As at 31st March, 2021
Borrowings (long-term and short-term, including current maturities of long term borrowings) (Note 21 & 25)	43,242.40	39,068.41
Less: Cash and Cash Equivalents (Note 14)	791.32	489.81
Net Debt	42,451.08	38,578.60
Equity Share Capital	1,220.71	1,220.24
Other Equity	29,138.92	27,920.40
Total Capital	30,359.63	29,140.64
Capital and Net Debt	72,810.71	67,719.24
Gearing Ratio	58.30%	56.97%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2022 and 31st March, 2021.

51. Financial Risk Management

The Company's management monitors and manages the financial risks relating to the operations of the Company. These risks include credit risk, liquidity risk and market risk (including currency risk, interest rate risk and other price risk).

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/bonds, trade receivables, loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and disclosed in below table.

Particulars	As at 31st March, 2022	As at 31st March, 2021
Not Due	4,929.15	4,939.41
Less than 6 month	2,702.22	1,714.24
More than 6 month	756.25	1,120.38

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Liquidity Risk

Rs. in Lakhs

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The surplus funds with the Company and operational cash flows will be sufficient to dispose the financial liabilities within the maturity period.

Maturity Profile of Financial Liabilities

Particulars	As at 31st March, 2022			
	0-1 year	1-5 year	Beyond 5 year	Total
Borrowing (Including current maturity of long term borrowing)	30,020.85	12,357.49	864.06	43,242.40
Trade Payable	8,353.00	-	-	8,353.00
Lease Liabilities	841.11	313.79	107.75	505.65
Other Financial Liabilities	664.05			664.05

Particulars	As at 31st March, 2021			
	0-1 year	1-5 year	Beyond 5 year	Total
Borrowing (Including current maturity of Long Term borrowing)	30,080.08	8,020.60	367.73	39,068.41
Trade Payable	5,123.95	-	-	5,123.95
Lease Liabilities	73.35	154.45	125.23	353.03
Other Financial Liabilities	753.53			753.53

Market Risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may, result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates risk/liquidity risk which impact returns on investments. Market risk exposures are measured using sensitivity analysis.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Exposure to Interest Rate Risk

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total Borrowings	43,242.40	39,068.41
% of Borrowings out of above bearing variable rate of interest	63.96%	73.76%

Interest Rate Sensitivity

A change of 100 bps in interest rates would have following Impact on profit before tax

100 bp increase would decrease the profit before tax by	291.69	328.87
100 bp decrease would Increase the profit before tax by	291.69	328.87

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**Foreign Currency Risk Management****Rs. in Lakhs**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Foreign Currency Monetary Assets	Foreign Currency Monetary Liabilities	Foreign Currency Monetary Assets	Foreign Currency Monetary Liabilities
USD	99.91	410.16	80.55	407.37
EURO	21.89	64.04	21.13	148.28
GBP	37.89	10.53	34.87	39.21
HKD	0.15	0.20	0.22	0.58

Foreign Currency Sensitivity

The following table details the Company's sensitivity to a 5% change in rupee value against the relevant foreign currencies, which is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end.

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	5% Weakened	5% Strengthen	5% Weakened	5% Strengthen
Foreign Currency Monetary Assets				
USD	365.25	(365.25)	294.47	(294.47)
EURO	93.88	(93.88)	90.62	(90.62)
GBP	190.92	(190.92)	175.70	(175.70)
HKD	0.07	(0.07)	0.10	(0.10)
Foreign Currency Monetary Liabilities				
USD	(1,499.24)	1,499.24	(1,489.04)	1,489.04
EURO	(274.68)	274.68	(636.01)	636.01
GBP	(53.06)	53.06	(197.59)	197.59
HKD	(0.09)	0.09	(0.27)	0.27
Impact on Profit or Loss as at the end of reporting year	(1,176.95)	1,176.95	(1,762.02)	1,762.02

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Disclosure Regarding Derivative Instruments.

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to accounts receivable. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

The following are outstanding forward contracts.

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Currency	Foreign Currency Lacs	Currency	Foreign Currency Lacs
Forwards Contracts	USD	71.50	USD	58.80
	EURO	15.00	EURO	5.50
	GBP	18.00	GBP	38.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)**52. Ratios****Rs. in Lakhs**

Ratio	Numerator	Denominator	2021-22	2020-21	Variance	Reason
(a) Current Ratio,	Current Assets	Current Liabilities	1.64	1.57	4.57%	
(b) Debt-Equity Ratio,	Total Debt	Shareholder's Equity	1.44	1.35	6.52%	
(c) Debt Service Coverage Ratio,	Earning Available for debt Services	Debt Services (Interst & Lease payment+Principal Repayments of long term borrowing)	0.87	1.05	-16.49%	
(d) Return on Equity Ratio,	Net Profit for the year	Average Shareholder's Equity	4.02%	0.54%	6.39%	
(e) Inventory turnover ratio,	Cost of Goods Sold	Average Inventory	0.71	0.52	36.64%	*
(f) Trade Receivables turnover ratio,	Net Credit Sales	Average Trade Receivables	6.29	4.90	28.39%	*
(g) Trade payables turnover ratio,	Net Credit Purchase	Average Trade Payables	6.58	6.17	6.62%	
(h) Net capital turnover ratio,	Net Sales	(Current Assets-Current Liabilities)	2.10	1.88	11.29%	
(i) Net profit ratio,	Net Profit After Tax	Total Sales	2.25%	0.40%	4.66%	
(j) Return on Capital employed,	EBIT	(Tangible Net Worth + Total Debt + Deferred Tax Liability)	5.33%	3.71%	0.43%	

* Due to Covid-19 restriction last year sales is down in comparrison to current year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

53. RELATED PARTY DISCLOSURES AS PER IND AS 24

a) Name of Related Parties & Nature of Relationship:	Country	Ownership Interest
i) Subsidiary Companies :		
Bhartiya Global Marketing Ltd.	India	100%
J&J Leather Enterprises Ltd.	India	100%
Bhartiya International SEZ Ltd.	India	88.95%
Bhartiya Fashion Retail Ltd.	India	100%
Bhartiya Urban Infrastructure Ltd.	India	100%
World Fashion Trade Ltd.	Mauritius	100%
Ultima S.A.	Switzerland	100%
Ultima Italia SRL	Italy	100%
Design Industry Ltd.	Hongkong	100%
Design Industry China Ltd.	China	100%
ii) Associate Parties :		
Bhartiya Urban Pvt. Ltd. (Bhartiya City Developers Pvt. Ltd.)	India	37%
Tada Mega Leather Cluster Pvt Ltd.	India	50%
iii) Executive Directors:		
Manoj Khattar		Whole Time Director
iv) Non-Executive Directors		
Snehdeep Aggarwal		Director
Ramesh Bhatia		Director
C.L. Handa		Independent Director
Sandeep Seth		Independent Director
Shashank		Independent Director
A. Sahasranaman		Independent Director
S. M. Swathi		Independent Director
Robert Burton Moore Jr		Director
Nikhil Aggarwal		Director
v) Enterprises owned or significantly influenced by Executive Directors or their relatives :		
Itopia Management Services (India) Pvt. Ltd.		
Parushni Interior Designs Private Limited		
vi) Trust		
Bhartiya International Limited Employees Group Gratuity Scheme		Post Employment Benefit Plan

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Particulars	Rs. in Lakhs	
	2021-22	2020-21
b) Transactions during the year with Related Parties :		
1. Sales		
Ultima S.A.	291.45	804.27
Design Industry Ltd.	478.49	67.40
J&J Leather Enterprises Ltd.	26.09	33.45
Ultima Italia SRL	88.54	-
Bhartiya Urban Pvt. Ltd.	0.53	0.30
2. Other Income		
Ultima S.A.	166.96	107.35
Parushni Interior Designs Pvt Ltd	0.36	-
3. Purchase / Job Work		
Ultima Italia SRL	2.59	1.56
J & J Leather Enterprises Ltd	1,492.10	1,547.69
Design Industry China Ltd.	27.18	1.72
4. Salaries		
Manoj Khattar	93.79	73.41
5. Lease Rent / Rent Paid		
Bhartiya Global Marketing Ltd.	1.00	1.00
J & J Leather Enterprises Ltd	24.00	24.00
6. Lease Rent Received		
Bhartiya Urban Pvt. Ltd.	234.35	234.35
Parushni Interior Designs Pvt Ltd	18.00	18.00
7. Service Charges Paid		
Bhartiya International Sez Ltd.	45.86	41.89
Bhartiya Fashion Retail Ltd.	10.50	8.85
8. Other Expenses		
Itopia Management Services (India) Pvt. Ltd.	0.13	-
9. Legal and Professional Fees		
Itopia Management Services (India) Pvt. Ltd	4.50	6.50
Robert Burton Moore Jr	80.63	74.67
Snehdeep Aggarwal	9.00	9.00
J & J Leather Enterprises Ltd	12.00	12.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Particulars	Rs. in Lakhs	
	2021-22	2020-21
10. Sitting Fee		
Ramesh Bhatia	0.44	0.43
C.L. Handa	1.06	1.08
Sandeep Seth	1.22	1.08
Shashank	1.22	1.08
A. Sahasranaman	0.33	0.43
S.M. Swathi	0.53	0.32
11. Contribution to Gratuity Trust		
Bhartiya International Limited Employees Group Gratuity Scheme	-	46.00
c) Balances Outstanding at the year end:		
1. Advance Paid		
Ultima S.A.	11.50	11.50
Parushni Interior Designs Pvt. Ltd	-	0.03
2. Advance with Suppliers		
J & J Leather Enterprises Ltd.	970.91	1,057
Design Industry China Ltd.	-	0.25
3. Trade Receivable		
Designs Industry Ltd.	425.75	85.82
Ultima S.A.	255.65	504.71
Ultima Italia SRL	21.86	1.48
Bhartiya International SEZ Ltd.	45.69	15.38
4. Security Deposit (Paid)		
Bhartiya Global Marketing Ltd.	5.00	5.00
5. Trade Payables		
Ultima Italia SRL	798.22	857.11

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (CONTD.)

Particulars	Rs. in Lakhs	
	2021-22	2020-21
Design Industry China Ltd	26.97	-
6. Expenses/Others Payables		
Itopia Management Services(India) Pvt. Ltd.	0.62	2.76
Snehdeep Aggarwal	0.68	0.69
7. Security Deposit (Received)		
Bhartiya Urban Pvt. Ltd.	159.79	159.79
Parushni Interior Designs Pvt. Ltd.	1.50	1.50
8. Standby Letter of Credit (SBLC) Issued by Company Bankers		
Ultima S.A.	0.09	8,849.21
9. Corporate Guarantee given by Company		
World Fashion Trade,Ultima Italia SRL and Ultima S.A.	-	428.93

As per our report of even date attached

For K A S G & CO.

Chartered Accountants
Firm Reg. No. 002228C

R.B.Sharma

Partner

Mem. No. 075701

Gurugram, 30th May, 2022

Yogesh Kumar Gautam

Company Secretary

Raj Kumar Chawla

Chief Financial Officer

For and on behalf of the Board

Manoj Khattar

Whole Time Director

DIN: 00694981

Ramesh Bhatia

Director

DIN: 0052320

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 Ltd.	31 st March, 2022	INR (lacs)	499.90	(103.62)	403.66	7.38	322.68	-	(0.60)	(0.03)	(0.57)	100.00
J&J Leather Enterprises Ltd.	31 st March, 2022	INR (lacs)	207.50	260.11	2039.43	1571.82	35.00	1520.12	22.94	16.77	6.17	100.00
Bhartiya International SEZ Ltd.	31 st March, 2022	INR (lacs)	1356.92	(82.03)	1344.72	69.83	-	45.86	(28.33)	-	(28.33)	88.95
Bhartiya Urban Infrastructure Ltd.	31 st March, 2022	INR (lacs)	5.00	(1.84)	3.22	0.06	-	0.50	0.23	0.06	0.17	100.00
Bhartiya Fashion Retail Ltd.	31 st March, 2022	INR (lacs)	50.00	(42.61)	9.52	2.13	-	10.50	1.21	(0.14)	1.35	100.00
Ultima S. A	31 st March, 2022	CHF	1000000.00	6098409.48	15255833.13	8157423.65	2480930.00	9739100.00	(890553.70)	28491.20	(919044.90)	100.00
Design Industry Ltd.	31 st March, 2022	HK\$	1000000.00	15167384.00	34732387.00	19465003.00	-	89379603.00	10132389.00	-	10132389.00	100.00
Design Industry China Ltd.,	31 st March, 2022	RMB/Yuan	2000000.00	62390.97	968263.36	705872.39	-	3746606.50	369931.02	6466.25	363464.77	100.00
Ultima Italia SRL	31 st March, 2022	EURO	20000000.00	19902.00	3157745.00	1137843.00	-	22394443.00	100219.00	13464.00	86755.00	100.00
World Fashion Trade Ltd.	31 st March, 2022	HK\$	5480570.00	(5510798.00)	19772.00	50000.00	-	-	(157563.00)	-	(157563.00)	100.00

	CHF	HK\$	Euro	RMB Yuan
Exchange rate for Balance Sheet items (except shares capital figures which are stated at invested value)	82.24	9.70	83.86	11.95
Exchange rate for Profit and Loss	81.08	9.57	86.38	11.61

PART-B : ASSOCIATES AND JOINT VENTURES
Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
(Rs. in Lacs)

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	Net worth 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 Urban Private Ltd.	31st March, 2022	34393260	3999.60	36.77%	Voting Power	-	617.45	(3,167.02)	-
Tada Mega Leather Cluster Pvt. Ltd.	31st March, 2022	5000	0.05	50.00%	Voting Power	-	(1.70)	-	(0.10)

BHARTIYA

Bhartiya International Limited

Registered Office Address:

56/7, Nallambakkam Village, Via Vandalur,
Chennai - 600 048, Tamil Nadu, INDIA
email: shares@bhartiya.com

Head Office Address:

E-52, New Manglapuri,
Mandi Road (Mehrauli), New Delhi - 110 030. INDIA
email: bhartiya@bhartiya.com

BHARTIYA INTERNATIONAL LIMITED

Registered Office: 56/7, Nallambakkam Village, (Via Vandalur), Chennai, Tamil Nadu – 600048

CIN – L74899TN1987PLC111744 Tel: +91 9551050418-21

Email: shares@bhartiya.com Website: www.bhartiya.com

NOTICE

Notice is hereby given that the 35th Annual General Meeting of the Members of Bhartiya International Limited will be held on **Thursday, 29th September, 2022** at **11.00 A.M.** IST through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') facility, to transact the following businesses:

ORDINARY BUSINESS**ITEM NO. 1 ADOPTION OF FINANCIAL STATEMENTS****To receive, consider and adopt:**

(a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon; and

(b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Report of the Auditors thereon.

ITEM NO. 2 APPOINTMENT OF DIRECTOR

To appoint a director in the place of Mr. Nikhil Aggarwal (DIN:01891082), who retires by rotation and being eligible, offers himself for re-appointment.

ITEM NO. 3 APPOINTMENT OF STATUTORY AUDITOR

To appoint M/s. Sushil Poddar & Co., Chartered Accountants as Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of 40th (Fortieth) Annual General Meeting and to fix their remuneration:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Sushil Poddar & Co, Chartered Accountants (Firm Registration No. 014969N) who have confirmed their eligibility for appointment as Statutory Auditors in terms of Section 141 of the Companies Act, 2013 and applicable Rules, be and are hereby appointed as Statutory Auditors of the Company, to hold office for a period of five consecutive years from the conclusion of this Annual General Meeting till the conclusion of 40th (Fortieth) Annual General Meeting, on such remuneration as may be approved by the Audit Committee and/ or Board of Directors of the Company in addition to applicable taxes and reimbursement of out of pocket expenses incurred by them.

RESOLVED FURTHER THAT the Board of Directors or Audit Committee thereof, be and are hereby severally authorised to decide and finalise the terms and conditions of appointment, including the remuneration of the Statutory Auditors."

SPECIAL BUSINESS (ES):**ITEM NO. 4 APPOINTMENT OF MR. NAVKIRAN SINGH GHEI AS INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution with or without modification(s) as a Special Resolution for ratification of appointment of Mr. Navkiran Singh Ghei [DIN: 09649188] as an Independent Director:

"RESOLVED THAT Mr. Navkiran Singh Ghei [DIN:09649188], who was appointed as an Additional Director of the Company with effect from 11th August, 2022 by the Board of Directors, based on the recommendation of the Nomination & Remuneration Committee, and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Articles 79 & 82 of the Articles of Association of the Company, and who is eligible for appointment and in respect of whom, the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including statutory modification(s) or re-enactment thereof for the time being in force) and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, appointment of Mr. Navkiran Singh Ghei [DIN:09649188], who has submitted a declaration that he meets the criteria for independence as provided in

Section 149(6) of the Act and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a period of five (5) consecutive years, w.e.f. 11th August, 2022, be and is hereby approved.

RESOLVED FURTHER THAT the Director shall be paid sitting fees and expenses reimbursed for attending Board and Committee meetings, as may be permissible under law from time to time.

RESOLVED FURTHER THAT any one Director or the Company Secretary of the Company, be and is hereby authorised to do all such acts, deeds, matters and things, as they may consider necessary, expedient or desirable for giving effect to the foregoing resolution."

ITEM NO. 5 APPOINTMENT OF MR. VIVEK KAPUR AS INDEPENDENT DIRECTOR

To consider and, if thought fit, to pass the following resolution with or without modification(s) as a Special Resolution for ratification of appointment of Mr. Vivek Kapur [DIN: 09678378] as an Independent Director:

"RESOLVED THAT Mr. Vivek Kapur [DIN: 09678378], who was appointed as an Additional Director of the Company with effect from 11th August, 2022 by the Board of Directors, based on the recommendation of the Nomination & Remuneration Committee, and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Articles 79 & 82 of the Articles of Association of the Company, and who is eligible for appointment and in respect of whom, the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including statutory modification(s) or re-enactment thereof for the time being in force) and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, appointment of Mr. Mr. Vivek Kapur [DIN: 09678378], who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a period of five (5) consecutive years, w.e.f. 11th August, 2022, be and is hereby approved.

RESOLVED FURTHER THAT the Director shall be paid sitting fees and expenses reimbursed for attending Board and Committee meetings, as may be permissible under law from time to time.

RESOLVED FURTHER THAT any one Director or the Company Secretary of the Company, be and is hereby authorised to do all such acts, deeds, matters and things, as they may consider necessary, expedient or desirable for giving effect to the foregoing resolution."

ITEM NO. 6 APPOINTMENT OF MR. DEEPAK BHOJWANI AS INDEPENDENT DIRECTOR

To consider and, if thought fit, to pass the following resolution with or without modification(s) as a Special Resolution for ratification of appointment of Mr. Deepak Bhojwani [DIN: 07351577] as an Independent Director:

"RESOLVED THAT Mr. Deepak Bhojwani [DIN: 07351577], who was appointed as an Additional Director of the Company with effect from 11th August, 2022 by the Board of Directors, based on the recommendation of the Nomination & Remuneration Committee, and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Articles 79 & 82 of the Articles of Association of the Company, and who is eligible for appointment and in respect of whom, the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including statutory modification(s) or re-enactment thereof for the time being in force) and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, appointment of Mr. Deepak Bhojwani [DIN: 07351577], who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a period of five (5) consecutive years, w.e.f. 11th August, 2022, be and is hereby approved.

RESOLVED FURTHER THAT the Director shall be paid sitting fees and expenses reimbursed for attending Board and Committee meetings, as may be permissible under law from time to time.

RESOLVED FURTHER THAT any one Director or the Company Secretary of the Company, be and is hereby authorised to do all such acts, deeds, matters and things, as they may consider necessary, expedient or desirable for giving effect to the foregoing resolution."

ITEM NO. 7 TO RATIFY AND APPROVE THE LIMIT OF REMUNERATION PAYABLE TO RELATED PARTY'S APPOINTMENT TO ANY OFFICE OR PLACE OF PROFIT

To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188(1)(f) and all other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modifications(s) or re-enactment thereof, for the time being in force), ratification and approval of the Company be and is hereby accorded for payment of consultancy fees exceeding Rs. 2,50,000/- per month with effect from 1st July, 2022, to Mr. Robert Burton Moore Jr., (DIN 08108097), Director of the Company, who has been appointed as Consultant for Marketing of the Company's business so however that the aggregate remuneration shall not exceed USD13889 (equivalent Indian Rupee) per month.

RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to the Nomination and Remuneration Committee/Board of Directors of the Company, to finalise and decide the change in designation/revisions in the remuneration payable to Mr. Robert Burton Moore Jr. from time to time in accordance with the Company's policy on performance measurement and such other applicable/relevant policies and to perform and execute all such acts, deeds, matters and things (including delegating such authority), as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto."

ITEM NO. 8 TO APPROVE THE LIMIT OF REMUNERATION PAYABLE TO MR. ROBERT BURTON MOORE JR. (DIN-08108097) OVER AND ABOVE OTHER NON-EXECUTIVE DIRECTORS

To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as a **Special Resolution**:

"RESOLVED THAT pursuant to the provision of Regulation 17(6)(ca) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, approval be and is hereby accorded for payment of remuneration to Mr. Robert Burton Moore Jr. (DIN 08108097), Non-Executive Director of the Company, details whereof are set out in the Statement pursuant to Section 102 of the Companies Act, 2013, being in excess of fifty percent of the total annual remuneration payable to all Non-Executive Directors.

RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) and the Company Secretary, be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

By Order of the Board
For Bhartiya International Limited

Yogesh Kumar Gautam
Company Secretary
(M. NO. A31119)

Place: Gurugram

Date: 11th August, 2022

Notes:

1. Statement pursuant to Section 102 (1) of the Companies Act, 2013 (the "Act"), in respect of businesses to be transacted at the Annual General Meeting ("AGM"), as set out under Item No(s). 3 to 8 above and the relevant details of the Directors as mentioned under Item No(s). 4, 5 and 6 above as required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.
2. The Board of Directors have considered and decided to include the Item No(s). 4 to 8 given above as Special Businesses in the forthcoming AGM, as they are unavoidable in nature.
3. Pursuant to the General Circular nos. 14/2020, 17/2020, 20/2020, 02/2021 issued by the Ministry of Corporate Affairs (MCA) and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through Video Conference (VC) or Other Audio Visual Means (OAVM), without the physical presence of members at a common

venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.

4. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
5. Authorized representatives of the corporate members intending to participate in the AGM pursuant to Section 113 of Act, are requested to send to the Company, a certified copy (in PDF/JPG format) of the relevant Board Resolution/Authority letter, etc. authorizing them to attend the AGM, by e-mail to shares@bhartiya.com.
6. In compliance with the aforementioned Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depository Participant (DP). Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website at www.bhartiya.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of National Securities Depository Limited (NSDL) at www.evoting.nsdl.com.
7. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company at shares@bhartiya.com.

Procedure for joining the 35th AGM through VC/ OAVM

8. NSDL will be providing facility for voting through remote e-Voting, for participation in the 35th AGM through VC/ OAVM and e-Voting during the 35th AGM.
9. Members may note that the VC/OAVM facility, allows participation of at least 1,000 Members on a first-come first-served basis.
10. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned "Step 1: Access to NSDL e-Voting system". After successful login, you can see link of "VC/OAVM link" placed under "Join Meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN (120998) of Company will be displayed. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned below in the Notice.
11. Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
12. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first-come first-served basis.
13. Members who need assistance before and during the AGM, can contact Mr. Amit Vishal, Senior Manager, NSDL or Mr. Sagar Ghosalkar, Assistant Manager, NSDL at evoting@nsdl.co.in or call on 1800-1020-990 and 1800-224-430.
14. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Procedure to raise questions/seek clarifications with respect to Annual Report at the ensuing 35th AGM:

15. Members are encouraged to express their views/send their queries in advance mentioning their name, demat account number/folio number, email id, mobile number at shares@bhartiya.com. Questions/ queries received by the Company till 5.00 p.m. on Tuesday, 27th September, 2022, shall only be considered and responded during the AGM.
16. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker, by following the steps mentioned "Step 1: Access to NSDL e-Voting system". After successful login, Members will be able to register themselves as a speaker shareholder by clicking on the link available against the EVEN (120998) of Bhartiya International Limited.

17. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

18. Procedure for remote e-Voting and e-Voting during the AGM

- a. All the shareholders of the Company are encouraged to attend and vote in the AGM to be held through VC/OAVM.
- b. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-Voting on the date of the AGM will be provided by NSDL.
- c. The remote e-Voting period commences on Monday, 26th September, 2022 at 9.00 a.m. and will end on Wednesday, 28th September, 2022 at 5.00 p.m. During this period, Members holding shares either in physical form or in dematerialized form, as on Thursday, 22nd September, 2022 i.e. cut-off date, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-Voting facility either during the period commencing 26th September, 2022 to 28th September, 2022 or e-Voting during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.
- d. The details of the process and manner for remote e-Voting are explained herein below:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system





Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system.

Details on Step 1 are mentioned below:

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID ForexampleifyourBeneficiaryIDis12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered:**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self- attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to shares@bhartiya.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) to (shares@bhartiya.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to contact@csrsm.com with a copy marked to evoting@nsdl.co.in.

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in.
4. Members who have cast their votes by remote e-Voting prior to the AGM may also attend/ participate in the Meeting through VC/OAVM but they shall not be entitled to cast their vote again.
5. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Thursday, 22nd September, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company at shares@bhartiya.com. However, if you are already registered with NSDL for remote e-Voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800- 1020-990 and 1800-224-430. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, 22nd September, 2022 may follow steps mentioned in the Notice of the AGM "Access to NSDL e-Voting system.
6. Mr. Ravi Sharma, Partner, M/s. RSM & Co., Practicing Company Secretaries (Membership No. 4468, COP: 3666), has been appointed as the Scrutinizer for conducting voting process in a fair and transparent manner.
7. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of electronic voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.

8. The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within 2 working days of conclusion of the AGM, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the Resolution(s), invalid votes, if any, and whether the Resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.bhartiya.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Ltd., where the securities of the Company are listed.

Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. 29th September, 2022.

19. Documents open for inspection:

- All the documents referred to in the accompanying notice and the statement pursuant to Section 102(1) of the Act shall be available for inspection through electronic mode. Members are requested to write to the Company on shares@bhartiya.com for inspection of said documents; and
- The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act will be available for inspection by the members during the AGM by following the steps mentioned at "Step 1: Access to NSDL e-Voting system". After successful login members will be able to view the documents for inspection by clicking on the link available against the EVEN (120998) of the Company.

20. Transfer of Unclaimed Dividend Amounts to the Investor Education and Protection Fund (IEPF):

- Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") amended time to time, dividends that are unpaid or unclaimed for a period of 7 (seven) years from the date of their transfer are required to be transferred by the Company to the IEPF, administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividend has not been claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.
- During the financial year 2021-22, the Company has transferred to IEPF, the following unclaimed dividends and corresponding shares thereto:

Particulars	Amount in Dividend (In Rs.)	No. of Shares
Final Dividend 2013-14	1,16,803	4,869
Total	1,16,803	4,869

- The dividend amount and shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are also available on the Company's website at www.bhartiya.com and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link www.iepf.gov.in.
21. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Company's website under Investor relation and is also available on the website of the RTA under download section at <https://www.masserv.com/>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
22. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company for assistance in this regard.

23. SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.

24. The Company has made special arrangement with the RTA and NSDL for registration of email addresses in terms of the MCA Circulars for Members who wish to receive the Annual Report along with the AGM Notice electronically and to cast the vote electronically.
25. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled into MAS Services Limited. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility. The Form SH-13 is available on the website of the Company at www.bhartiya.com.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS

ITEM NO. 3

The Members of the Company at the 30th Annual General Meeting ('AGM') held on 27th September, 2017 approved the appointment of M/s. KASG & Co., Chartered Accountants (Firm Registration no. 002228C), as the Statutory Auditors of the Company for a period of five (5) consecutive years from the conclusion of the 30th AGM till the conclusion of 35th AGM of the Company.

M/s. KASG & Co. will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 as amended.

The Board of Directors of the Company at its meeting held on 11th August, 2022, on the recommendation of the Audit Committee, has considered to recommend the appointment of M/s. Sushil Poddar & Co, Chartered Accountants (Registration No. 014969N), as the Statutory Auditors of the Company for a period of 5 (Five) consecutive years from the conclusion of this AGM till the conclusion of the 40th AGM subject to the approval of members of the Company at this AGM.

On the recommendation of the Audit Committee, the Board also recommended for the approval of the Members, the remuneration of M/s. Sushil Poddar & Co, Chartered Accountants (Registration No. 014969N), as set out in the Resolution relating to their appointment. The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s. Sushil Poddar & Co, Chartered Accountants, to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

As per the requirement of the Companies Act, 2013 (the 'Act'), as amended, M/s. Sushil Poddar & Co, Chartered Accountants, have given their consent to act as the Statutory Auditors of the Company and confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and it is not disqualified to be appointed as Statutory Auditor in terms of the provisions of the Section 139 and 141 of the Act and the rules made thereunder.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, whether financially or otherwise, concerned or interested, in the resolution set out at Special Business Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution as set out at item no. 3 for approval by the Members.

ITEM NO. 4, 5 & 6

The Board at its Meeting held on 11th August, 2022 based on the recommendations of the Nomination and Remuneration Committee appointed Mr. Navkiran Singh Ghei, Mr. Vivek Kapur and Mr. Deepak Bhojwani, as an Additional Directors for five consecutive years effective 11th August, 2022 subject to the approval of shareholders.

Mr. Navkiran Singh Ghei, Mr. Vivek Kapur and Mr. Deepak Bhojwani as additional independent directors of the Company, joined the Board of the Company on 11th August, 2022, hold office of directorship till the ensuing Annual General Meeting of the Company.

Mr. Navkiran Singh Ghei highly decorated Army Officer having wide ranging leadership, management and organisational experience spanning 40 years of an extremely successful and distinguished career. Experience of working in a Global environment, has represented the country and the Defence Services internationally on several occasions.

Mr. Vivek Kapur is a fellow member of the Institute of Chartered Accountants of India (ICAI). He has 35 years of rich experience in field of Auditing, Accounting, tax management. He is also having diverse experience dealing in matters of corporate finance, accounting systems and processes, capital budgeting, budget forecasting, manage financial systems, undertake financial audits, provide financial advice and management consultancy.

Mr. Deepak Bhojwani is I.F.S, L.L.B. and Graduate in commerce. He is a retired Indian Diplomat, joined the Indian Foreign Service in 1978. He has served as ambassador in seven Latin American countries, being resident ambassador in Colombia (2007-2010), Venezuela (2003-2006) and Cuba (2010-2013). Mr. Bhojwani has served as Independent Director on the Board of Bharat Petroleum Corporation Ltd. (BPCL). Currently he is serving on the Board of Directors of one Company named Magotteaux Industries Private Limited.

As per the provisions contained under Section 161 of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended time to time, approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

The Company has received intimations from Mr. Navkiran Singh Ghei, Mr. Vivek Kapur and Mr. Deepak Bhojwani that, they are not disqualified from being appointed as an Independent Directors in terms of Section 164 of the Act, declaration that they meet with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and their consent to be appointed as an Independent Directors.

In the opinion of the Board, Mr. Navkiran Singh Ghei, Mr. Vivek Kapur and Mr. Deepak Bhojwani fulfils the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and they are independent of the Management. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Navkiran Singh Ghei, Mr. Vivek Kapur and Mr. Deepak Bhojwani as an Independent Directors is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Mr. Navkiran Singh Ghei, Mr. Vivek Kapur and Mr. Deepak Bhojwani shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

None of the Directors, Key Managerial Personnel of the Company, and their relatives other than Mr. Navkiran Singh Ghei, Mr. Vivek Kapur and Mr. Deepak Bhojwani are concerned or interested, financially or otherwise, in the passing of this resolution.

The Board recommends the resolutions at item No. 4, 5 and 6 for approval of members as a Special resolution.

Brief resume of Mr. Navkiran Singh Ghei, Mr. Vivek Kapur and Mr. Deepak Bhojwani, nature of their expertise in specific functional areas, name of companies in which they hold directorship and memberships/chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Secretarial Standards and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Notice.

ITEM NOS. 7 & 8

The Company is desirous of utilizing the expertise of Mr. Robert Burton Moore Jr., Director for business requirements and hence wants to pay consultancy fees to him towards his appointment as Consultant for Marketing of our business.

As such, Mr. Robert Burton Moore Jr. will hold office or place of profit in the Company within the meaning of Section 188 of the Companies Act, 2013.

As per provisions of section 188 (1)(f) read with rule 3(b) of Companies (Meetings of Board and its Powers) Rules, 2014, approval of shareholders is required if the monthly remuneration of such person exceeds Rs. 2,50,000/-per month. Since the company is benefitted from the services of the above-mentioned Director holding office or place of profit in the Company, the Board has sanctioned his consultancy fees exceeding Rs. 2,50,000/- per month which is justified.

Copy of Appointment Letter setting out terms and conditions of his appointment is available for inspection by Members till the Annual General Meeting as per details mentioned in the Notes.

Further, in terms of the notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, consent of the Members by way of Special Resolution is required every year, if the remuneration payable to a single Non-Executive Director in that year exceeds 50% of the aggregate remuneration payable to all the Non-Executive Directors taken together. Your approval is therefore sought for the payment of remuneration upto Rs. USD 125001 (around INR 1 Crore) towards Consultancy fees for Marketing of the Company's business, to Mr. Robert Burton Moore Jr. for the financial year 2022-23.

Mr. Robert Burton Moore Jr. is interested in the resolutions set out at Item Nos. 7 & 8 of the Notice.

The relatives of Mr. Robert Burton Moore Jr. may be deemed to be interested in the resolutions set out at Item No. 7 & 8 of the Notice, to the extent of their shareholding interest, if any, in the Company.

None of the other Directors / KMP, except Mr. Robert Burton Moore Jr., are interested in the aforesaid resolution.

The Board accordingly recommends the ordinary and special resolutions as set forth in Item Nos. 7 & 8 for the approval of the members.

Brief resume of Mr. Robert Burton Moore Jr, nature of his expertise in specific functional areas, name of companies in which he holds directorship and memberships/chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Secretarial Standards and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Notice.

ANNEXURE - A

Pursuant to Secretarial Standard and Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the details of the Directors seeking appointment/re-appointment/fixation of remuneration/variation of the term of remuneration at the forthcoming Annual General Meeting:

Name of Director	Mr. Robert Burton Moore Jr.		Mr. Nikhil Aggarwal	
Date of Birth	18/09/1950		23/10/1975	
DIN	08108097		01891082	
Nationality	United States of America		Indian	
Qualifications	BBA degree (Marketing and Accounts) from The University of Mississippi, Oxford, Mississippi, USA		BE- Mech. Engg., MBA	
Date of first appointment on the Board	16/04/2018		04/10/2007	
Expertise/Experience in specific functional areas	Marketing expert studied at University of Mississippi; received Taylor Medal in 1988. Was named among the 20 Most Powerful Tanners in World in Leather International Magazine, 2012.		Experience in International Marketing and Management.	
Directorships held in other companies	Rocky Brands Inc. (Overseas Company)		Ultima Italia S.R.L. (Overseas Company)	
Relationship with other Directors, Manager and other KMP of the Company	NIL		Mr. Nikhil Aggarwal is the nephew of Mr. Snehdeep Aggarwal	
Terms and conditions of appointment/ continuation of Directorship	The terms and conditions and details of remuneration sought to be paid is given in the resolutions/explanatory in this Notice.		He is proposed to be re-appointed as Non-Executive Director liable to retire by rotation.	
Details of last Remuneration drawn (F.Y. 2020-21)	Rs. 80,62,792/-		NIL	
Details of proposed Remuneration	as per resolution		NIL	
Number of Meetings of the Board attended during the F.Y. 2021-22	Board Meetings Attended	No. of Board Meetings held	Board Meetings Attended	No. of Board Meetings held
	4	5	4	5
Chairman / Member of the Committee of the Board of Directors of this Company	Chairman / Member	Name of the Committees	Chairman / Member	Name of the Committees
	-	-	Member	Corporate Social Responsibility
Committee Membership in other Companies	Name of the Committees	Chairman/ Member	Name of the Company	Name of the Committees
			-	-
Shareholding in the Company as on 31st March, 2022	-		20,000 equity shares	

Name of Director	Mr. Navkiran Singh Ghei	Mr. Vivek Kapur	Mr. Deepak Bhojwani			
Date of Birth	25/12/1956	13/06/1961	26/01/1952			
DIN	09649188	09678378	07351577			
Nationality	Indian	Indian	Indian			
Qualifications	Postgraduate	Chartered Accountant	I.F.S, L.L.B., B.Com			
Date of first appointment on the Board	11th August, 2022	11th August, 2022	11th August, 2022			
Expertise/Experience in specific functional areas	Retired as Lt. Gen from Indian Army, highly decorated Army Officer having wide ranging leadership, management and organizational experience spanning 40 years of an extremely successful and distinguished career. Experience of working in a Global environment, has represented the country and the Defense Services internationally on several occasions.	Mr. Kapur is graduate in Commerce, and he is a fellow member of the Institute of Chartered Accountants of India (ICAI). He has 35 years of rich experience in field of Auditing, Accounting, tax management, finance, capital budgeting, budget forecasting and management consultancy.	Mr. Deepak Bhojwani joined the Indian Foreign Service (IFS) in 1978. Since then, he has served in three Continents - Asia, Europe and South America - as well as the Ministry of External Affairs in New Delhi. During his career, he was accredited as Ambassador in seven Latin American countries. He became a Joint Secretary in the Government of India in October, 1997.			
Directorships held in other companies	-	-	Magotteaux Industries Private Limited			
Relationship with other Directors, Manager and other KMP of the Company	-	-	-			
Terms and conditions of appointment/ continuation of Directorship	Independent Director for consecutive five-year term	Independent Director for consecutive five-year term	Independent Director for consecutive five-year term			
Details of last Remuneration drawn (F.Y. 2021-22)	-	-	-			
Details of proposed Remuneration	-	-	-			
Number of Meetings of the Board attended during the F.Y. 2021-22	Board Meetings Attended	No. of Board Meetings held	Board Meetings Attended	No. of Board Meetings held	Board Meetings Attended	No. of Board Meetings held
	-	-	-	-	-	-
Chairman / Member of the Committee of the Board of Directors of this Company	Chairman / Member	Name of the Committees	Chairman / Member	Name of the Committees	Chairman / Member	Name of the Committees
	-	-	-	-	-	-
Committee Membership in other Companies	Name of the Committees	Chairman/ Member	Name of the Company	Name of the Committees	Name of the Company	Name of the Committees
	-	-	-	-	-	-
Shareholding in the Company as on 31st March, 2022	-	-	-	-	-	-