Geared for life

BHARAT GEARS LIMITED
Regd. Office & Works :
20, K.M. Mathura Road, P.O.Box 328
P.O. Amar Nagar,Faridabad - 121003 (Haryana) INDIA
Tel. : +91 (129) 4288888, E-mail : info@bglindia.com
Corporate Identity Number : L29130HR1971PLC034365

BGL/SEC/NSE/3/MAY 2022-2023

BGL/SEC/BSE/2/MAY 2022-2023

May 27, 2022

The Manager (Listing)
National Stock Exchange of India Ltd
"Exchange Plaza", 5th Floor,
Plot No. C-1, G - Block,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400051

The Manager (Listing)
BSE Limited
1st Floor, New Trading Ring,
Rotunda Building
PJ Towers, Dalal Street
Fort, Mumbai – 400001

SYMBOL: BHARATGEAR

STOCK CODE: 505688

Sub: Outcome of Board Meeting 1/22-23

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("the Regulations") we are enclosing herewith Audited Financial Results of the Company along with Audit Report thereon for the quarter and year ended March 31, 2022 approved by the Board of Directors of the Company at its Meeting held on May 27, 2022 along with the declaration for unmodified opinion pursuant to Regulation 33(3)(d) of the Regulations.

The meeting of Board of Directors of the Company commenced at 03:00 P.M. and concluded at 05:40 P.M.

You are requested to kindly take the same on records.

Thanking you,

Yours faithfully,
For **BHARAT GEARS LIMITED**

Prashant Khattry
Head (Legal) and Company Secretary

Encl: As above

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Dear Sir/Madam,

Sub: Declaration Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for unmodified opinion

DECLARATION FOR UNMODIFIED OPINION

We hereby declare that, the Statutory Auditors of the Company M/s S R B C & CO LLP, Chartered Accountants, (Firm Registration No. 324982E/E300003) have issued an Audit Report with unmodified opinion on the Audited Financial Results for the quarter and year ended March 31, 2022.

Thanking you,

Yours faithfully,
For **Bharat Gears Limited**

Prashant Khattry
Head (Legal) and Company Secretary

BHARAT GEARS LIMITED FARIDABAD

S R B C & CO LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

Independent Auditor's Report on the Quarterly and Year to Date Audited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Bharat Gears Limited

Report on the audit of the Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date financial results of Bharat Gears Limited (the "Company") for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are 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 the Board of Directors 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 Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 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 with reference to financial statements 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 financial results 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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 internal control that we identify during our audit.

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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.

Other Matter

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

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S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

per Aruna Kumaraswamy
Partner
Membership Number: 219350
UDIN: 22219350AJSKRI9269
Place of Signature: Mumbai
Date: May 27, 2022

BHARAT GEARS LIMITED
CIN: L29130HR1971PLC034365
Registered Office: 20 K. M. Mathura Road, P. O. Amar Nagar, Faridabad - 121003 (Haryana)

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2022

(₹ in Lakhs)

	Particulars	Quarter ended			**Current year ended (Audited)**	Previous year ended
		31.03.2022	31.12.2021	31.03.2021	**31.03.2022**	31.03.2021
		(Audited) Refer Note 5	(Unaudited)	(Audited) Refer Note 5	**(Audited)**	(Audited)
1	Revenue from operations	**19,069**	18,744	17,403	**72,944**	50,303
2	Other income (Refer note 3)	**151**	47	(7)	**353**	137
3	**Total income (1+2)**	**19,220**	18,791	17,396	**73,297**	50,440
4	**Expenses**					
	(a) Cost of materials and components consumed	**9,548**	9,130	9,533	**37,530**	25,599
	(b) Changes in inventories of finished goods and work-in-progress	**526**	710	(706)	**(441)**	(703)
	(c) Employee benefits expense (Refer note 4)	**2,731**	2,684	2,323	**10,714**	8,247
	(d) Finance costs	**412**	444	480	**1,843**	2,267
	(e) Depreciation and amortisation expense	**461**	475	581	**2,039**	2,415
	(f) Other expenses	**4,825**	4,580	4,861	**18,565**	13,580
	Total expenses	**18,503**	18,023	17,072	**70,250**	51,405
5	**Profit/(loss) before exceptional items and tax (3-4)**	**717**	768	324	**3,047**	(965)
6	**Exceptional items (Refer note 9)**	**-**	-	-	**360**	-
7	**Profit/(Loss) before tax (5+6)**	**717**	768	324	**3,407**	(965)
8	**Tax expense**					
	1. Current tax	**(43)**	138	-	**441**	-
	2. Deferred tax	**224**	57	15	**423**	(227)
	3. (Excess)/Short provision for tax relating to prior years	**-**	(41)	32	**(41)**	32
9	**Net profit/(loss) for the period (7-8)**	**536**	614	277	**2,584**	(770)
10	**Other comprehensive income/(loss)**					
	(i) Items that will not be reclassified to profit or loss	**(53)**	28	165	**31**	127
	(ii) Income tax relating to items that will not be reclassified to profit or loss	**13**	(7)	(59)	**(8)**	(32)
11	**Total comprehensive income/(loss) for the period (9+10)**	**496**	635	383	**2,607**	(675)
12	Paid-up equity share capital (Face value ₹ 10/- per share)	**1024**	1024	931	**1024**	931
11	Other equity (excluding revaluation reserve)				**9795**	6450
12	Earnings per share [face value of ₹ 10 /- each (* not annualised)] Basic and diluted (₹)	***5.23**	*6.33	*2.89	**26.43**	(8.03)

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S R B C & CO LLP
MUMBAI

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BHARAT GEARS LIMITED FARIDABAD

BHARAT GEARS LIMITED

CIN: L29130HR1971PLC034365

Registered Office: 20 K. M. Mathura Road, P. O. Amar Nagar, Faridabad - 121003 (Haryana)

Notes:

1. The above financial results have been reviewed and recommended by the Audit Committee at their meeting held on 26 May, 2022 and have been approved by the Board of Directors at their meeting held on 27 May, 2022.

2. The Company is primarily engaged in the Automotive Gears business and all other activities revolving around the same. As such there is no other separate reportable segment as defined by Ind AS 108 - "Operating Segments".

3. Other income includes:

(₹ in Lakhs)

Particulars	Quarter ended			**Current year ended**	Previous year ended
	31.03.2022	31.12.2021	31.03.2021	**31.03.2022**	31.03.2021
	(Audited) Refer Note 5	(Unaudited)	(Audited) Refer Note 5	**(Audited)**	(Audited)
Net exchange gain/(loss)	**132**	25	(32)	**282**	57

4. Employee benefits expense includes:

(₹ in Lakhs)

Particulars	Quarter ended			**Current year ended**	Previous year ended
	31.03.2022	31.12.2021	31.03.2021	**31.03.2022**	31.03.2021
	(Audited) Refer Note 5	(Unaudited)	(Audited) Refer Note 5	**(Audited)**	(Audited)
Voluntary retirement scheme expense	**17**	-	-	**42**	195

5. The figures of the quarters ended 31 March, 2022 and 31 March, 2021 are the balancing figures between audited figures in respect of the full financial years and the unaudited published year-to-date figures upto 31 December for respective years, which were subjected to limited review.

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6. Statement of Assets and Liabilities:

(₹ in Lakhs)

	Particulars	As at 31.03.2022 Audited	As at 31.03.2021 Audited
A	**ASSETS**		
1	**Non-current assets**		
	(a) Property, plant and equipment	**11,208**	12,632
	(b) Capital work-in-progress	**114**	132
	(c) Intangible assets	**82**	107
	(d) Right-of-use assets	**496**	620
	(e) Financial assets		
	(i) Loans	**179**	191
	(ii)Others	**223**	215
	(f) Deferred tax assets (net)	**583**	1,014
	(g) Other non-current assets	**498**	358
		13,383	15,269
2	**Current assets**		
	(a) Inventories	**9,046**	9,039
	(b) Financial assets		
	(i) Trade receivables	**14,428**	10,627
	(ii) Cash and cash equivalents	**304**	10
	(iii) Bank balances other than (ii) above	**632**	558
	(iv) Loans	**61**	56
	(v) Others	**310**	544
	(c) Current tax assets (net)	**103**	92
	(d) Other current assets	**2,076**	2,156
		26,960	23,082
3	**Non-current asset held for sale**	**12**	12
		26,972	23,094
	TOTAL	**40,355**	38,363
B	**EQUITY AND LIABILITIES**		
1	**Equity**		
	(a) Equity share capital	**1,024**	931
	(b) Other equity	**9,795**	6,450
		10,819	7,381
2	**Non-current liabilities**		
	(a) Financial Labilities		
	(i) Borrowings	**6,126**	6,662
	(ii) Lease liabilities	**416**	501
	(iii) Other financial liabilities	**196**	304
	(b) Provisions	**2,082**	2,073
	(c) Other non-current liabilities	**377**	322
		9,197	9,862
3	**Current liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	**3,958**	4,473
	(ii) Lease liabilities	**160**	173
	(iii) Trade payables		
	- total outstanding dues of micro enterprises and small enterprises	**325**	497
	- total outstanding dues of creditors other than micro enterprises and small enterprises	**14,749**	15,154
	(iv) Other financial liabilities	**341**	182
	(b) Provisions	**360**	377
	(c) Current tax liabilities (net)	**5**	41
	(d) Other current liabilities	**441**	223
		20,339	21,120
	TOTAL	**40,355**	38,363

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7. Audited statement of Cash Flows:

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
A.	**Cash flows from operating activities:**		
	Net profit/(loss) before tax	**3,407**	(965)
	Adjustments to reconcile profit/(loss) before tax to net cash flows:		
	Depreciation and amortisation expense	**2,039**	2,415
	(Profit) / Loss on disposal of property, plant and equipment (net)	**(8)**	(15)
	Finance costs	**1,843**	2,048
	Interest income	**(55)**	(52)
	Rent expenses	**7**	7
	Employee benefits expense	**9**	7
	Liabilities/provisions no longer required written back	**(70)**	(19)
	Allowance for doubtful debts	**5**	11
	Bad debts written off	**-**	3
	Other amounts written off	**83**	49
	Unrealised exchange (gain)/loss (net)	**(111)**	(45)
	Operating profit before working capital changes	**7,149**	3,444
	Changes in working capital		
	Adjustments for (increase)/decrease in operating assets:		
	Inventories	**(90)**	(1,273)
	Trade receivables	**(3,690)**	(366)
	Financial assets - loans	**1**	(40)
	Financial assets - others	**233**	(278)
	Other assets	**106**	(659)
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade payables	**(545)**	4,752
	Other financial liabilities	**15**	169
	Other current and non current liabilities	**273**	230
	Provisions	**23**	(41)
	Cash generated from operations	**3,475**	5,938
	Income tax (paid)/refund (net)	**(447)**	(35)
	Net cash flows from/(used in) operating activities (A)	**3,028**	5,903
B.	**Cash flows from investing activities:**		
	Purchase of property, plant and equipments and intangible assets (including capital work-in-progress, capital advances)	**(476)**	(414)
	Proceeds from sale of property, plant and equipments	**19**	59
	Bank balances (including non-current) not considered as cash and cash equivalents (net)	**(75)**	94
	Interest received	**36**	37
	Net cash flows from/(used in) investing activities (B)	**(496)**	(224)
C.	**Cash flows from financing activities:**		
	Proceeds from long-term borrowings	**4,519**	-
	Rights issue of equity shares (net of share issue expenses of ₹ 47 Lakhs)	**930**	-
	Unsecured loan from Director	**-**	200
	Repayment of unsecured loan from Director	**(200)**	
	Repayment of long-term borrowings	**(6,384)**	(1,783)
	Net increase/(decrease) in short-term borrowings	**-**	(1,920)
	Interest paid	**(1,798)**	(1,904)
	Dividends paid	**(2)**	(3)
	Payment of lease liabilities	**(287)**	(261)
	Net cash flows from/(used in) financing activities (C)	**(3,222)**	(5,671)
	Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(690)**	8
	Cash and cash equivalents at the beginning of the year	**(2,227)**	(2,235)
	Add: Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	**(5)**	-
	Cash and cash equivalents at the end of the year	**(2,922)**	(2,227)

	Cash and cash equivalents	**304**	10
	Other bank balances (represents cash credit, packing credit & funded interest)	**(3,226)**	(2,237)
	Cash and bank balances	**(2,922)**	(2,227)

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BHARAT GEARS LIMITED FARIDABAD

8. The Company has considered the possible impact of COVID-19 pandemic & current global scenario on its operations, liquidity position and recoverability of its asset balances at 31 March, 2022 based on the internal and external information up to the date of approval of these financial results. The impact of COVID-19 & current global scenario may be different from that estimated as at the date of approval of these financial results and management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

9. The Company had received compensation claim during quarter ended 30 September, 2021 from the Mumbai Metropolitan Region Development Authority ('MMRDA') in respect of costs incurred towards shifting/re-location of facilities situated on the Company's land acquired by the Authority in earlier years towards proposed road widening projects. The amount of ₹ 514 lakhs received, has been netted of against the costs incurred directly in relation to the same amounting to ₹ 154 lakhs and accordingly a net amount of ₹ 360 lakhs (gross of tax), is disclosed as an Exceptional item in the year ended 31 March, 2022.

10. In terms of approval of Board of Directors at their meeting held on 20 October, 2021, the Company on 15 December, 2021 allotted 9,30,610 equity shares at a Price of ₹ 105 per share (including premium of ₹ 95 per share) to existing shareholders on rights basis. Pursuant to this allotment, the securities premium stands increased by ₹ 837 lakhs net of share issue expenses of ₹ 47 lakhs. The proceeds from Rights Issue have been utilised for the intended purposes. Basic and diluted earnings per share for the quarter ended 31 December, 2020 and 31 March, 2021, and year ended 31 March, 2021 have been accordingly adjusted for the effect of Rights Issue.

11. Previous period's figures have been regrouped/reclassified wherever necessary.

BHARAT GEARS LIMITED FARIDABAD

For and on behalf of the Board of Directors

Surinder Paul Kanwar

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SURINDER PAUL KANWAR
Chairman & Managing Director

Date : 27 May, 2022

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AREPADI KUMARASWAMY ARUNA
S R B C & CO LLP
MUMBAI

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