

# BF INVESTMENT

CIN:L65993PN2009PLC134021

SECT/BFIL/

August 30, 2022

National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (E),  
Mumbai – 400 051  
SYMBOL – BFINVEST

Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Tower  
Dalal Street,  
Mumbai – 400 001.  
Scrip Code – 533303

Dear Sir,

**Sub: Notice and Annual Report of 13th (Thirteenth) Annual General Meeting of the Company scheduled to be held on September 28, 2022**

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. Please find enclosed herewith the Notice of the 13th Annual General Meeting and Annual Report for the financial year ended March 31, 2022 of the Company scheduled to be held on Wednesday, September 28, 2022 at 11.00 a.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without presence of Members at a common venue.

Event	Details
Date and time of AGM	Wednesday, September 28, 2022 at 11.00 a.m. IST
Cutt-off date to vote on AGM resolutions	Wednesday, September 21, 2022
E-voting start Date and time	Sunday, September 25, 2022 9.00 a.m. IST
E-voting end Date and time	Tuesday, September 27, 2022 5.00 p.m. IST
Book Closure for AGM	Wednesday, September 28, 2022
E-voting and for participating of AGM through VC / OAVM website	<a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>

Kindly take the same on record.

Thanking you,

Yours Faithfully,  
For BF Investment Limited



S. R. Kshirsagar  
Company Secretary

Encl : Notice and Annual Report of Thirteenth Annual General Meeting



**KALYANI**  
GROUP COMPANY

BF INVESTMENT LIMITED, MUNDHWA, PUNE CANTONMENT, PUNE 411 036, MAHARASHTRA, INDIA

et | Website : [www.bfilpune.com](http://www.bfilpune.com)

Phone : +91 7719005777 Email : [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com)

# BF INVESTMENT LIMITED



**KALYANI**  
DRIVING INNOVATION

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## BOARD OF DIRECTORS

Mr. A. B. Kalyani	Chairman
Mr. B. B. Hattarki	Non-Executive Independent Director
Mr. M. U. Takale	Non-Executive Non-Independent Director
Ms. A. A. Sathe	Non-Executive Independent Director
Mr. S. G. Joglekar	Non-Executive Independent Director
Mr. B. S. Mitkari	Non-Executive Director

## COMPANY SECRETARY

Mr. S. R. Kshirsagar

## CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

Mr. J. G. Patwardhan

## STATUTORY AUDITORS

P. G. Bhagwat LLP Chartered Accountants

## SECRETARIAL AUDITORS

SVD & Associates

## BANKERS

HDFC Bank Limited  
ICICI Bank Limited  
Punjab National Bank

## REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited  
'Akshay' Complex, Block No. 202, 2<sup>nd</sup> Floor,  
Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001  
Tel.: +91 (20) 2616 1629 / 2616 0084  
Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)

## REGISTERED OFFICE

BF Investment Limited  
Mundhwa, Pune Cantonment,  
Pune 411 036, Maharashtra, India.  
Phone: +91-77190 05777  
E-mail : [secretarial@bfilpune.com](mailto:secretarial@bfilpune.com)  
Website : <http://www.bfilpune.com>  
CIN : L65993PN2009PLC134021

## INFORMATION FOR SHAREHOLDERS

Annual General Meeting  
Day & Date : Wednesday, 28<sup>th</sup> September, 2022  
Time : 11.00 a.m.  
Venue : AGM will be held through VC/OAVM  
Date of Book Closure : Wednesday, 28<sup>th</sup> September, 2022



## BF INVESTMENT LIMITED

Registered Office : Mundhwa, Pune Cantonment, Pune 411 036.

CIN : L65993PN2009PLC134021

### NOTICE OF THE 13<sup>TH</sup> ANNUAL GENERAL MEETING

To

The Members of BF Investment Limited,

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of BF Investment Limited will be held on Wednesday, the 28th day of September, 2022, at 11.00 a.m. Indian Standard Time (IST) through Video Conference ("VC") / Other Audio Visual Means ("OAVM") facility, to transact the following business:

#### ORDINARY BUSINESS:

1. To consider and adopt :

- a) the audited standalone financial statements of the Company for the Financial Year ended March 31, 2022, the reports of the Board of Directors and Auditors thereon.
- b) the audited consolidated financial statements of the Company for the Financial Year ended March 31, 2022 and the report of the Auditors thereon.

2. To appoint Mr. M. U. Takale (DIN: 01291287), as a Director liable to retire by rotation.

#### SPECIAL BUSINESS :

3. Payment of commission to Non Executive Director

To consider and if thought fit, to pass, with or without modifications the following resolution as a Special Resolution:

"RESOLVED THAT, pursuant to Section 197 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the Company be and is hereby accorded to pay a commission of upto Rs. 10,000,000/- to Mr. A. B. Kalyani, Non Executive Director of the Company for the financial year ended 31st March, 2022"

By Order of the Board  
For BF Investment Limited

S. R. Kshirsagar  
Company Secretary  
Membership No. A23653

Place : Pune  
Date : 30<sup>th</sup> May, 2022

## NOTES :

1. In view of the outbreak of COVID-19 pandemic, social distancing measures are a pre-requisite and in terms of Ministry of Corporate Affairs ("MCA") in continuation to previous Circular No. 20/2020 dated 5th May, 2020, Circular No. 02/2021 dated 13th January, 2021, Circular No. 21/2021 dated 14th December, 2021, further extended the relaxation vide Circular dated 5th May 2022 ("MCA Circulars") and The Securities and Exchange Board of India ("SEBI") has also issued circular in continuation to previous Circular dated 12<sup>th</sup> May, 2020, further extended the relaxation vide Circular dated 15th January, 2021 and 13th May, 2022, which does not require physical presence of the Members at common venue, In view of this, the Thirteenth Annual General Meeting (AGM) is being conducted through Video Conference ("VC")/ Other Audio Visual Means ("OAVM"). The deemed venue for the AGM shall be the Registered Office of the Company.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 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 National Securities Depository Limited (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 venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.bfilpune.com](http://www.bfilpune.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars issued in this behalf.
8. In case of any change of address or queries relating to their shares please contact to R & T Agent Link Intime India Pvt. Ltd. at the address given in the Annual Report.
9. Members holding more than one share in the same name or joint names in the same order but under different ledger folios are requested to apply for consolidation of such folios into a single folio and accordingly send a request letter duly signed by the shareholder and the relevant share certificates alongwith the self-attested copy of Permanent Account Number (PAN) card and Aadhar card to the Company, to enable us to consolidate all such multiple folios into one single folio.
10. 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 the Directors are interested, maintained under Section 189 of the Act, will be available for electronic inspection for the Members without any fee from the date of circulation of this Notice upto the date of AGM, i.e. 28<sup>th</sup> September, 2022. Members seeking to inspect can send an e- mail to secretarial department of the Company at [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com)
11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
12. SEBI vide its circular No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 has mandated that w.e.f. April 1, 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In light of same, shareholders are requested to kindly convert their physical shares in Demat form to avoid hassle in transfer of shares.

13. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd. ("Registrar" or "RTA") at the address given in Annual Report for assistance in this regard.
14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Sunday, 25<sup>th</sup> September, 2022 at 9:00 A.M. and ends on Tuesday, 27<sup>th</sup> September, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 21<sup>st</sup> September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21<sup>st</sup> September, 2022.

**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**

**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"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 held 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 &amp; voting during the meeting.</li> </ol>

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> App Store  Google Play</p> <p> </p>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>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.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
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.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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 For example if your Beneficiary ID is 12***** 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](http://www.evoting.nsdl.com).
  - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto: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.

### **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 [cs@svdandassociates.com](mailto:cs@svdandassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
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](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote, Assistant Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail 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 [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.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 [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com). If you are an Individual shareholder 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](mailto: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.**

### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General 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 of Company will be displayed. Please note that the 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 in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com). The same will be replied by the company suitably.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@bfilpune.com](mailto:secretarial@bfilpune.com). The shareholders who do not wish to speak during the 13th AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@bfilpune.com](mailto:secretarial@bfilpune.com). These queries will be replied to by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

The Scrutinizer will submit his report to the Chairman after the completion of scrutiny and the result of the voting will be declared within 48 hours of conclusion of the meeting. The declared results along with the Scrutinizer Report will also be displayed on the website of the Company at [www.bfilpune.com](http://www.bfilpune.com) and will simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited where equity shares of the Company are listed.

## ANNEXURE TO THE NOTICE

Statement of additional Information as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to following items of the Notice:

### Item No. 2

To appoint Mr. M. U. Takale (DIN: 01291287) as a Director, liable to retire by rotation.

Mr. M. U. Takale (DIN: 01291287) ceased to be an Independent Director w.e.f 11<sup>th</sup> November, 2021. However he is a Non Independent Director w.e.f. 11<sup>th</sup> November, 2021.

It is proposed to appoint Mr. Takale as a Director liable to retire by rotation. In the opinion of the Board, Mr. Takale fulfils the conditions specified in the Companies Act, 2013 and rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his Appointment as a Director of the Company.

Brief Profile of Mr. Takale is provided hereunder.

Mr. M. U. Takale, born on 18th August, 1960, is a Mechanical Engineer having more than 34 years experience in forging and automotive related industries. Mr. Takale, after having his initial graduation in Pune, completed his MS in Industrial and Systems Engineering from Columbia University, New York, U.S.A. and MBA from Western Carolina University, NC, U.S.A. He was in U.S.A. for six years and besides obtaining degree in Engineering and Management, has had considerable exposure to technological advancements in automotive field. He also has work experience in Automotive Industry in U.S.A. Mr. Takale serves on the Board of Kalyani Infotech Solutions Limited, Kalyani Steels Limited, BF Investment Limited, Avichal Resources Pvt. Ltd. and Kalyani Strategic Management Services Ltd.

Directorships / Committee memberships / Chairmanships of Mr. M. U. Takale in other companies are as under:

Name of the Company	Board position held	Name of the Committees	Chairman/ Member
Kalyani Steels Limited	Director	NA	NA
Kalyani Infotech Solutions Limited	Director	NA	NA
Kalyani Strategic Management Services Ltd	Director	NA	NA
Avichal Resources Pvt. Ltd.	Director	NA	NA

Save and except, Mr. M. U. Takale, to the extent of his shareholding interest, if any, in the Company, none of other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 2 of the Notice for approval by the shareholders.

Mr. Takale does not hold any shares in the Company.

Mr. Takale is not disqualified/ debarred from being appointed as Director in terms of Section 164 of the Companies Act, 2013. The Board is of the opinion that he fulfils the conditions specified in the Companies Act, 2013 and rules thereof and also possesses appropriate balance of skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively. The Board considers that his experience and expertise would be of immense benefit to the Company.

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**Item No. 3**

**Payment of commission to Non Executive Director**

Mr. A. B. Kalyani is a Non Executive Director of the Company since past twelve years. He has played a very active role, as a member of the Board, in formulating and advising on various investment and growth strategies of the Company.

The Company has immensely benefited because of his special efforts and the same is reflected in the revenues and profits over the past several years. Apart from the payment of sitting fees for attending the Board meetings, the Company does not pay any remuneration to Mr. Kalyani. It is, therefore, proposed to pay him a commission of upto Rs.10,000,000/- for the Financial Year 2021-22.

Except for Mr. A. B. Kalyani, none of the Directors or Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the resolutions set out at Item No.3 of the Notice.

The Board recommends the resolution set out at Item No.3 of the Notice, for the approval of the members of the Company.

By Order of the Board  
For BF Investment Limited

S. R. Kshirsagar  
Company Secretary  
Membership No. A23653

Place : Pune  
Date : 30<sup>th</sup> May, 2022

Additional information as required under the Companies Act, 2013 and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 in respect of the Directors' appointment/ re-appointment is provided below:

Name of the Director	Mr. M. U. Takale
Age	61 years
Brief Resume of the Director	Mr.M.U. Takale is a Mechanical Engineer having more than 30 years' Experience in forging and automotive related industries. He is also MS in Industrial and Systems Engineering from Columbia University, New York, U.S.A. and MBA from Western Carolina University, NC, U.S.A.
Nature of expertise in specific functional areas / skills /capabilities	Technology & Innovations, Strategy & Planning, Financial Skills, along with Industry knowledge and vast experience.
Disclosure of relationships between Directors inter-se	Not related to any Director/ KMP
Directorships held in other Listed Companies (including resignation,if any, in other listed companies inthe past three years)	Kalyani Steels Ltd.
Committee Memberships /Chairmanships held in other Listed companies	Kalyani Steels Ltd.- Corporate Social Responsibility Committee - Member
Shareholding in the Company as on March 31, 2022	NIL

Terms and conditions of appointment or re-appointment including remuneration:

- Mr. M. U. Takale, Non-Executive and Non-Independent Directors, is liable to retire by rotation and is not entitled to any remuneration. The terms of remuneration including sitting fees for attending Board Meetings, reimbursement of expenses and the profit related commission as permissible under law from time to time, are as approved by Members / The Board, as applicable.

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, herein after called "Regulations, 2015")

### 1. Company's Philosophy on Corporate Governance

The Securities and Exchange Board of India (SEBI) has prescribed a set of standards on corporate governance for the listed companies.

The Company has included a compliance report on Corporate Governance in its Annual Report in the spirit of transparency in management and best board practices. This Chapter of the report, plus the information given under 'Management Discussion and Analysis' and 'Shareholder Information' constitute such a compliance report on corporate governance during 2021-22.

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as applicable with regard to Corporate Governance.

### 2. Board of Directors

#### Composition of the Board

The Company has an active, experienced, diverse and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Board periodically evaluates the need for change in its composition and size.

In terms of Regulation 17 of the SEBI Listing Regulations, at least 50% of the Board should comprise Non-Executive Independent Directors with at least one Woman Director. Out of total 6 Directors as on March 31, 2022, the Non-Executive Independent Directors constitute 50% of the Board. The Company has one Women Director on the Board as on the said date who is holding her office as Non-Executive Independent Director.

Detailed profile of the Directors is available on the Company's website at <http://www.bfilpune.com/BoardofDirectors.html>.

The Board met seven (7) times during FY 2021-22 on the following dates:

- May 18, 2021
- June 14, 2021
- August 11, 2021
- August 20, 2021
- October 11, 2021
- November 11, 2021
- February 11, 2022

The gap between two Meetings did not exceed 120 days and the Meetings were conducted in compliance with all applicable laws. The necessary quorum was present for all the Board Meetings.

#### Category and Attendance of Directors:

The category of Directors, attendance at Board Meetings held during the financial year under review, the number of Directorships and Committee Chairpersonships/Memberships held by them in other public limited companies and Directorships held by them in other listed entities as on March 31, 2022 are as follows:

Sr. No.	Name of Director	No. of shares held by Non-Executive Directors	No. of Directorships in other public companies #	No. of Committee positions held in other public companies*		No. of Board Meetings held	Attendance at the meetings	
				Chairman	Member		Board	AGM
	Executive Director	NA	NA	NA	NA	NA	NA	NA
	Non-Executive Directors							
1	Mr. A. B. Kalyani ®	28,220	7	0	2	7	7	0
2	Mr. M. U. Takale	0	3	0	0	7	7	1
3	Mr. B. S. Mitkari	0	4	0	2	7	7	1
	Independent Directors							
4	Mr. B. B. Hattarki	0	7	4	4	7	7	1
5	Ms. A. A. Sathe	0	1	0	1	7	2	1
6	Mr. S. G. Joglekar	200	3	0	2	7	7	1

Note:

- ® Promoters within the meaning of Securities Exchange Board of India (SEBI) (Substantial Acquisition of Shares & Takeover) Regulations, 2011.
- # Other Directorships exclude directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.
- \* For this purpose only Audit and Stakeholders' Relationship Committees of the Public Limited Companies have been considered

The Twelfth (12th) Annual General Meeting ('e-AGM') of the Company for the Financial Year ('FY') 2020-21 was held on September 30, 2021 through video conferencing ('VC') / other audio visual means ('OAVM') in accordance with the relevant circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI'). All the Directors of the Company were present at the 12th AGM except Mr. A. B. Kalyani.

Directors and their Directorships in other listed Companies are as under :

Sr.	Name of the Director	Name of the listed entities in which Director holds Directorship	Category of Directorship
1	Mr. A. B. Kalyani (DIN : 00089430)	1 Bharat Forge Ltd. 2 Kalyani Steels Ltd. 3 Kalyani Investment Company Ltd. 4 Hikal Ltd. 5 BF Utilities Ltd. 6 Schaeffler India Ltd.	Executive Director Director Director Director Director Independent Director
2	Mr. B. B. Hattarki (DIN : 00145710)	1 BF Utilities Ltd. 2 Kalyani Investment Company Ltd. 3 Automotive Axles Ltd 4 Kalyani Steels Ltd.	Independent Director Independent Director Independent Director Independent Director
3	Mr. M. U. Takale (DIN : 01291287)	1 Kalyani Steels Ltd.	Director
4	Ms. A. A. Sathe (DIN : 06925030)	1 BF Utilities Ltd.	Independent Director
5	Mr. S. G. Joglekar (DIN : 00073826)	1 Kalyani Investment Company Ltd.	Independent Director
6	Mr. B. S. Mitkari (DIN: 03632549)	1 BF Utilities Ltd.	Whole time Director

Notes :

1. Directorships held in foreign companies, private limited companies, one person companies and companies under Section 25 of the Companies Act, 1956 / under Section 8 of the Companies Act, 2013 have not been considered.
2. None of the Directors on the Board is a Director of more than eight listed companies.

None of the Directors are related to any other Director of the Company within the meaning of Section 2(77) of the Companies Act, 2013 and rules thereof.

*Shareholding of Directors as on March 31, 2022:*

Sr. No.	Name of Director	Category	Equity Shares of Rs.5 each
1	Mr. A. B. Kalyani	NED	28220
2	Mr. B. B. Hattarki	ID	NIL
3	Mr. M. U. Takale *	NED	NIL
4	Ms. A. A. Sathe	ID	NIL
5	Mr. S. G. Joglekar	ID	200
6	Mr. B. S. Mitkari	NED	NIL

*NED - Non-Executive Director; ID - Independent Director;*

\* ceased to be Independent Director w.e.f. 11<sup>th</sup> November, 2021. Now he is Non Independent Director



Apart from the above, no Director holds any shares in the Company. The Company has not issued any convertible instruments

None of the Directors of the Company is related to each other and there are no *inter se* relationships between the Directors.

None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI Listing Regulations) across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

None of the Directors hold office in more than 10 public limited companies as prescribed under Section 165(1) of the Act. No Director holds directorships in more than 7 listed companies. None of the Non-Executive Directors is an Independent Director in more than 7 listed companies as required under the SEBI Listing Regulations. Further, the CEO does not serve as Independent Director in any listed company.

#### Key Skills, Expertise and Competencies of the Board of Directors

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise, special skills and geography. The Board of Directors have, based on the recommendations of the Nomination & Remuneration Committee, identified the following core skills/expertise/competencies as required in the context of the businesses and sectors of the Company for its effective functioning and the same is mapped against each of the Directors

Skill	Skill definitions
Business Acumen	Ability to understand business environment and identify new business opportunities
Leadership	Ability to lead a large team of professionals
Technology	Passion for technology upgradation
Legal and Regulatory knowledge	Understanding of regulatory and legal frameworks in Taxation

#### Disclosure of Expertise or Skills of Directors

Following are the core skills / expertise / competencies as required in the context of its business(es) and sector(s) for it to function effectively:

General Management, Finance and Accounting, Corporate Laws, Automotive Industry, Operations, Corporate Strategy, Finance and Corporate Treasury, Manufacturing, Engineering, Business

The following table states the identified core skills/expertise/competencies mapped for each of the Director:

Sr.	Name of Directors	Expertise, Skills in specific functional ares
1	Mr. A. B. Kalyani	Business Acumen, Leadership, Technology, Automotive Industry, Corporate Strategy and Business Management
2	Mr. B. B. Hattarki	Technology, Automotive Industry, Operations and Manufacturing
3	Mr. M. U. Takale	Technology, Leadership, Automotive Industry, Engineering and Manufacturing
4	Mr. S. G. Joglekar	Leadership, Legal and Regulatory knowledge, Finance & Accounting and Corporate Treasury
5	Ms. A. A. Sathe	Legal and Regulatory knowledge, Corporate Laws, Legal and Taxation
6	Mr. B. S. Mitkari	Legal and Regulatory knowledge, Finance & Accounting, Corporate laws, Legal and Operations.

#### Board Procedure

For seamless scheduling of Meetings, the calendar of Meetings of the Board and Committees is circulated and agreed upon at the beginning of the year.

The Company Secretary tracks and monitors the Board and Committee proceedings to ensure that the terms of reference/charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. The terms of reference/charters are amended and updated from time to time in order to keep the functions and role of the Board and Committees at par with the changing statutes. Meeting effectiveness is ensured through clear agenda, circulation of material in advance and as per statutory timelines, detailed presentations at the Meetings.

The Board plays a critical role in the strategy development of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the CEO apprises the Board on the overall performance of the Company every quarter.

The Board periodically reviews the strategy, annual business plan, business performance of the Company. Amongst other things, the Board also reviews the compliance reports of the laws applicable to the Company, internal financial controls and financial reporting systems, adoption of quarterly / half-yearly / annual results, minutes of the Meetings of the Audit and other Committees of the Board.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations which is required to be placed before the Board, the Directors are also kept informed of major events.

### **Independent Directors**

All Independent Directors are Non Executive Directors as defined in Regulations 16(1) of SEBI (LODR)

The Company currently has 3 Non-Executive Independent Directors (including 1 Woman Director) which comprise 50% of the total strength of the Board of Directors.

None of the Independent Director(s) of the Company resigned.

### **Independence of Directors**

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

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

Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA'). They are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

### **Meeting of Independent Directors**

During the year under review, one (1) meeting of the Independent Directors of the Company was held on February 11, 2022 as required under Schedule IV to the Act (Code of Independent Directors) and Regulation 25(3) of the SEBI Listing Regulations. At their Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole including the Chairman of the Board after taking the views of other Non-Executive Directors and also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Meeting was attended by all the Independent Directors as on that date and Mr. B. B. Hattarki chaired the said Meeting.

### **Terms and Conditions of appointment of Independent Directors**

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. Formal letters of appointment are issued to the Independent Directors after their appointment by the Members. As required by Regulation 46 of the SEBI Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at <http://www.bfilpune.com/PDF/Terms%20of%20Appointment%20of%20Independent%20Directors.pdf>

### **Induction and Familiarisation Programme for Directors**

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, strategies, business, functions, policies, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuous basis.

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company imparted various familiarisation programmes to its Directors .

Pursuant to Regulation 46 of the SEBI Listing Regulations, the details of such familiarisation programme during FY 2021-22 are available on the website of the Company at <http://www.bfilpune.com/PDF/Familiarisation%20Programme%20for%20Independent%20Directors.pdf>

### **Appointment/Re-appointment of Directors**

As required under Regulation 26(4) and Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, particulars of Directors

seeking appointment/re-appointment at this AGM are given in the Notice of the AGM which forms part of this Integrated Annual Report.

#### **Code of Conduct**

The Company has formulated Code of Conduct for its Directors, Senior Management Personnel and other Executives which is available on the website of the Company at <http://www.bfilpune.com/PDF/Code%20of%20Conduct.pdf>

The Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV to the Act ('Code for Independent Directors') and Regulation 17(5) of the SEBI Listing Regulations and the same is available on the website of the Company at <http://www.bfilpune.com/PDF/Code%20of%20Conduct.pdf>

As on March 31, 2022, all the Board Members and Senior Management of the Company have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the CEO forms part of this Report.

Apart from reimbursement of expenses incurred in discharging their duties and the remuneration that the Directors would be entitled under the Act as Non-Executive Directors, except for Mr. A. B. Kalyani, none of the Directors have any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors or its Senior Management during the two immediately preceding financial years.

Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large

### **3. Audit Committee**

The Audit Committee's role is to assist the Board fulfil its Corporate Governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions. The Audit Committee functions according to its terms of reference that defines its composition, authority, responsibilities and reporting functions. All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations are covered in its terms of reference.

#### **Terms of Reference**

The Audit Committee of the Company is responsible for supervising the Company's internal controls and financial reporting process and *inter alia*, performs the following functions:

- i.) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- ii.) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii.) Examination of the financial statements and the auditors' report thereon;
- iv.) Approval or any subsequent modification of transactions of the Company with related parties;
- v.) Scrutiny of inter-corporate loans and investments;
- vi.) Valuation of undertakings or assets of the Company, wherever it is necessary;
- vii.) Evaluation of internal financial controls and risk management systems;
- viii.) Monitoring the end use of funds raised through public offers and related matters
- ix.) Reviewing of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- x.) Reviewing with management the annual financial statements before submission to the Board;
- xi.) Reviewing with the management, external auditors and internal auditor, the adequacy of internal control systems;
- xii.) Discussing with internal auditor any significant finding and follow up on such issues;
- xiii.) Discussing with the external auditors before the audit commences on the nature and scope of audit, as well as having post audit discussion to ascertain any areas of concern;
- xiv.) Reviewing any changes in accounting policies or practices as compared to last completed financial year and commenting on any deviation from accounting standards;
- xv.) Reviewing details of related party transactions exceeding 1% of last year's turnover;
- xvi.) Reviewing the Company's financial and risk management policies;

- xvii.) Approval of payment to Statutory Auditors for any other services rendered by Statutory Auditors;
- xviii.) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- xix.) 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;
- xx.) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularities or failure of internal control systems of a material nature and reporting the matter to the Board;
- xxi.) To look into the reason for substantial default in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared Dividends) and creditors;
- xxii.) To review the functioning of the whistle blower mechanism;
- xxiii.) Approval of appointment of CFO (i.e. the whole time finance Director or any other person heading the finance function or discharging that function) after accessing the qualifications, experience and background, etc. of the candidate;
- xxiv.) Carrying out any other function as is mentioned in the terms of reference of audit committee.
- xxv.) Consider and comment on rationale, cost-benefits and impact of Schemes of merger, demerger, amalgamation etc. on the listed entity and its shareholders

Further, pursuant to Regulation 18(2)(c) of the SEBI Listing Regulations, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other Independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

#### Meetings Held

During FY 2021-22, six (6) Meetings of the Audit Committee were held on the following dates:

- May 18, 2021
- June 14, 2021
- August 11, 2021
- August 20, 2021
- November 11, 2021
- February 11, 2022

The gap between two Meetings did not exceed 120 days. Necessary quorum was present for all the Meetings of the Committee.

#### Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. B. B. Hattarki (Chairperson)	ID	6	6
Mr. M. U. Takale (Upto 11-11-2021) (from 11-11-2021)	ID NED	5	5
Ms. A. A. Sathe	ID	6	2
Mr. S. G. Joglekar	ID	1	1

*ID - Independent Director; NED - Non-Executive Director*

The Company Secretary acts as the Secretary to the Audit Committee. The composition of the Committee is in conformity with Section 177 of the Act and Regulation 18(1) of the SEBI Listing Regulations.

The Chairperson of the Audit Committee has one-on-one meetings both with the Internal Audit Team and the Statutory Auditors on a periodic basis to discuss key concerns, if any.

The Chief Executive Officer & Chief Financial Officer, Company Secretary, Statutory Auditor, Internal Auditor attend and participate in all the Meetings of the Committee. Internal Audit Reports are discussed. During the year under review, the Committee reviewed the key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems. The Committee reviewed Related Party Transactions. During the year under review, the Audit Committee reviewed the process and controls for Insider Trading and also adopted a framework for levying penalties in case of any violation under the Insider Trading Code.

The Chairperson of the Audit Committee briefs the Board at each Board Meeting about the significant discussions at the Audit Committee Meetings including the internal audit matters. The minutes of each of the Audit Committee Meetings are placed in the next Meeting of the Board after they are confirmed by the Committee.

Mr. B. B. Hattarki, Chairperson of the Audit Committee, was present at the last e-AGM held on September 30, 2021.

#### 4. Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on the expected performance criteria. The NRC also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company.

The Policy of the Company including the terms of reference is disclosed on the Company's website <http://www.bfilpune.com/PDF/Nomination%20Renumeration%20Policy.pdf>

##### Meetings Held

During FY 2021-22, three (3) Meetings of the NRC were held on the following dates:

- June 14, 2021
- August 11, 2021
- February 11, 2022

The necessary quorum was present for all the Meetings of the Committee.

##### Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. B. B. Hattarki (Chairperson)	ID	3	3
Mr. A. B. Kalyani	NED	3	2
Ms. M. U. Takale (Upto 11-11-2021)	ID	2	2
Mr. S. G. Joglekar	ID	1	1

*ID - Independent Director; NED - Non-Executive Director*

Mr. B. B. Hattarki, Chairman of the NRC, was present at the last e-AGM held on September 30, 2021.

The composition and terms of reference of the NRC are in compliance with the provisions of Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations.

The Chairman of the NRC briefs the Board at each Board Meeting about the significant discussions at the NRC Meetings.

##### Board and Director Evaluation

In terms of the requirement of the Act and the SEBI Listing Regulations, during the year under review, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The exercise was led by the Chairman of the NRC along with the Chairman of the Board.

##### Criteria for Evaluation

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report

##### Remuneration of Directors

The Company's philosophy for remuneration of Directors, Key Managerial Personnel ('KMP') and all other employees is to promote leadership, skill, development and innovation. The Company has adopted a Policy for remuneration of Directors, KMP and other employees, which is aligned to this philosophy.

The principles governing the Company's Remuneration Policy is provided in the Board's Report. The said Policy is also uploaded on the website of the Company at <http://www.bfilpune.com/PDF/Nomination%20Renumeration%20Policy.pdf>

### Chief Executive Officer

The Company pays remuneration by way of salary, allowances (variable pay) to its Chief Executive Officer. Annual increments are recommended by the NRC and are effective April 1 each year.

### Details of Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole Time Director for FY 21-22

(Amount in Million)

Particulars of Remuneration	Mr. S.R. Kshirsagar* Company Secretary	Mr. J.G. Patwardhan* CEO & CFO	Total Amount
1. Gross Salary			
a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	}	}	}
b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961			
c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961			
2. Stock Option	}	}	}
3. Sweat Equity			
4. Commission			
- As % profit			
- Others, specify ...			
5. Others, please specify (Company's contribution towards Provident Fund and Superannuation)			
Total **	1.53	4.51	6.04

\* on deputation

\*\* Represents amounts paid to employer in respect of Key Managerial Personnel on deputation.

### Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending the Board Meetings.

The Company also pays commission to the Non-Executive Directors within the ceiling of 3% per annum of the net profits of the Company as computed under the applicable provisions of the Act. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and Committee Meetings. The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the Meetings.

Details of sitting fees paid and commission payable to the Non-Executive Directors for FY ended March 31, 2022 is given below:

(Amount in Rs.)

Name of the Director	Sitting Fees paid during FY 2021-22	Commission (for FY 2021-22 payable in FY 2022-23)
Mr. A. B. Kalyani	35,000	1,00,00,000
Mr. B. S. Mitkari	35,000	8,00,000
Mr. B. B. Hattarki	35,000	8,00,000
Mr. M. U. Takale	35,000	8,00,000
Ms. A. A. Sathe	10,000	8,00,000
Mr. S. G. Joglekar	35,000	8,00,000
	<b>1,85,000</b>	<b>1,40,00,000</b>

As per the practice, commission to the Directors is paid after the annual accounts are adopted by the Members at the AGM. The Company has not granted any stock options to its Directors

## Service Contract, Severance Fees and Notice Period

Terms of Agreement	Mr. J. G. Patwardhan, CEO
Period of Contract	2 years up to April 30, 2023
Severance fees / notice period	The Agreement may be terminated earlier, without any cause, by either Party by giving to the other Party 90 days notice of such termination or the Company paying 90 days basic salary in lieu of notice.  There is no separate provision for payment of severance fees.

### Succession Plan

The Company has succession plans for the senior management. The Nomination and Remuneration Committee works on leadership succession plan

### Retirement Policy for Directors

The Directors retirement policy is in compliance with the prevailing rules and regulations.

## 5. Stakeholders Relationship Committee

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances.

The Policy of the Company including the terms of reference is disclosed on the Company's website <http://www.bfilpune.com/PDF/Stakeholders%20Relationship%20Committee%20Terms%20of%20Reference.pdf>

### Meetings Held

During FY 2021-22, fourteen (14) Meetings of the SRC were held on the following dates:

- May 17, 2021
- June 14, 2021
- July 5, 2021
- August 11, 2021
- August 16, 2021
- August 23, 2021
- August 30, 2021
- September 20, 2021
- September 28, 2021
- October 11, 2021
- October 25, 2021
- December 20, 2021
- January 17, 2022
- January 24, 2022

The necessary quorum was present for all the Meetings of the Committee.

### Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. M. U. Takale - NED (Chairperson)	ID	14	14
Mr. B. B. Hattarki - ID	ID	14	14
Ms. A. A. Sathe - ID	ID	14	0

*ID - Independent Director; NED - Non-Executive Director*

### Status of Investor Complaints

The status of investor complaints as on March 31, 2022 as reported under Regulation 13(3) of the SEBI Listing Regulations is as under:

Complaints as on April 1, 2021	0
Received during the year	1
Resolved during the year	1
Pending as on March 31, 2022	0

The correspondence identified as investor complaints are letters received through statutory/regulatory bodies.

### Name, designation and address of the Compliance Officer

Mr. S. R. Kshirsagar  
Company Secretary  
BF Investment Limited  
Mundhwa,  
Pune - 411 036  
Tel. No.: +91-77190 05777  
Email: [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com)

The Chairperson of the SRC briefs the Board at each Board Meeting about the significant discussions at the SRC Meetings.

Mr. M. U. Takale, Chairperson of the SRC, was present at the e-AGM of the Company held on September 30, 2021.

## 6. Corporate Social Responsibility Committee

The Corporate Social Responsibility ('CSR') Committee of the Board is constituted in accordance with the provisions of Section 135 of the Act. The CSR Committee has been entrusted with the specific responsibility of reviewing corporate social responsibility programmes. The scope of the CSR Committee also includes approving the budget of CSR activities, reviewing the CSR programmes, formulation of annual action plan and monitoring the CSR spends

The Policy of the Company including the terms of reference is disclosed on the Company's website <http://www.bfilpune.com/PDF/Corporate%20Social%20Responsibility%20Policy.pdf>

A CSR Report giving details of the CSR activities undertaken by the Company during the year under review, along with the amount spent forms part of the Board's Report.

### Meetings Held

During FY 2021-22, one (1) Meeting of the CSR Committee was held on February 11, 2022.

The necessary quorum was present for all the Meetings of the Committee.

### Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. B. B. Hattarki (Chairperson)	ID	1	1
Mr. A. B. Kalyani	NED	1	1
Ms. M. U. Takale	NED	1	1

*ID - Independent Director; NED - Non-Executive Director*

The Chairman of the CSR Committee briefs the Board at each Board Meeting about the significant discussions at the CSR Meetings.

Mr. B. B. Hattarki, Chairman of the CSR Committee, was present at the last e-AGM held on September 30, 2021.

## 7. Risk Management Committee

Regulation 21 of the SEBI Listing Regulations mandate top 1000 listed entities, determined on the basis of market capitalisation as at the end of the immediate previous financial year, to constitute a Risk Management Committee ('RMC') with effect from April 1, 2019. However, the Company had voluntarily constituted a RMC in October 29, 2015. The primary role of the RMC is that of assisting the Board of Directors in overseeing the Company's risk management processes and controls. Additionally the Committee may seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The Policy of the Company including the terms of reference is disclosed on the Company's website <http://www.bfilpune.com/PDF/Risk%20Management%20Policy.pdf>

### Meetings Held

During FY 2021-22, two (2) Meetings were held on November 11, 2021 & February 11, 2022.

The necessary quorum was present for all the Meetings of the Committee.

### Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. B. B. Hattarki (Chairperson)	ID	2	2
Mr. A. B. Kalyani	NED	2	0
Mr. M. U. Takale(Upto 11-11-2021) (from 12-11-2021)	ID NED	2	2

*ID - Independent Director; NED - Non-Executive Director*



The Chairman of the RMC briefs the Board at each Board Meeting about the significant discussions at the RMC Meetings.

## 8. Independent Directors Meeting

In terms of Section 149 of the Act and Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors was held, *inter alia*, to discuss:

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

All Independent Directors were present at the Meeting.

### Meetings Held

During FY 2021-22, One (1) Meeting was held on February 11, 2022.

The necessary quorum was present for all the Meetings of the Committee.

### Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. B. B. Hattarki (Chairperson)	ID	1	1
Mr. S. G. Joglekar	ID	1	1
Ms. A. A. Sathe	ID	1	1

*ID - Independent Director.*

## 9. General Body Meetings

### *Annual General Meetings held and Special Resolution(s) passed:*

Day, date, time and venue of AGMs held during the last 3 years and Special Resolutions passed are given as below:

Year	Day, Date and Time	Venue	Special Resolution(s)
2020-21	Thursday, September 30, 2021 at 10:00 a.m	VC/OAVM Deemed Venue: Mundhwa, Pune Cantonment, Pune - 411 036	NIL
2019-20	Wednesday, September 30, 2020 at 11:30 a.m	VC/OAVM Deemed Venue: Mundhwa, Pune Cantonment, Pune - 411 036	1. Appointment of Ms. Aarti A. Sathe (DIN: 06925030) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from September 19, 2020 up to September 18, 2025. 2. Payment of commission to Non Executive Director
2018-19	Wednesday, September 25, 2019 at 11:00 a.m.	Kalyani Steels Ltd, Mundhwa, Pune - 411 036	1. Re-Appointment of Mr. Madan U. Takale (DIN 01291287) as an Independent Director 2. Payment of commission to Non Executive Director

All resolutions moved at the last AGM were passed by the requisite majority of Members

No Extraordinary General Meeting of the Members was held during the year. During the year under review, no resolution was put through by Postal Ballot. Further, no resolution is being proposed to be passed through Postal Ballot.

## 10. Means of Communication

### Stock Exchange Intimations

All submissions to the Stock Exchanges are made through the respective electronic filing systems. All unpublished price sensitive information, material events or information as detailed in Regulation 30 of the SEBI Listing Regulations are disseminated to the Stock Exchanges by filing them with the National Stock Exchange of India Limited ('NSE') through NEAPS and with BSE Limited ('BSE') through BSE Online Portal.

They are also displayed on the Company's website at <http://www.bfilpune.com/Announcement.html>

### Financial Results

The quarterly/half-yearly/annual financial results are published in the Financial Express (English) and Loksatta (Marathi). They are displayed under 'Investors' section of the Company's website viz. <http://www.bfilpune.com/FinancialResults.html>. They are also filed with the NSE through NEAPS and with BSE through BSE Online Portal.

### Company's Website

The Company's website is in line with the requirements laid down under Regulation 46 of the SEBI Listing Regulations. The section on 'Investors' serves to inform the Members by giving complete financial details, annual reports, shareholding patterns, stock exchange intimations, Company policies, etc.

The proceedings of the 12th AGM held on September 30, 2021 are also available under the 'Investors' section

### Transfer of unpaid dividend to Investor Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Companies Act, 2013 and rules thereof, any money transferred to the Unpaid Dividend Account of a company, which remains unpaid or unclaimed for a period of seven years, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF).

Since the Company has not declared any dividend in past, this clause is not applicable.

### Transfer of equity shares to the Investor Education and Protection Fund (IEPF)

Pursuant to provisions of Section 124(6) of the Companies Act, 2013 and rules thereof as amended from time to time, all shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more, shall be transferred by the company in the name of Investor Education and Protection Fund (IEPF) along with a statement containing such details as may be prescribed.

### Procedure for dealing with unclaimed shares

Pursuant to Regulation 39(4) of the Listing Regulations, the Company had in past sent reminder letters to those shareholders, whose share certificates have returned undelivered by the postal authorities due to insufficient / incorrect information and are lying with the Company. These share certificates will be sent to eligible shareholders, if these shareholders submit necessary documents to the Company.

### Nominations in respect of shares held in physical form / electronic form

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be vested in the event of death of the registered shareholder(s). The prescribed nomination form can be obtained from the Company or the Registrar and Share Transfer Agent.

Nomination facility for shares held in electronic form is available with the depository participant as per the bye laws and business rules applicable to NSDL and CDSL.

### Register Your National Electronic Clearing Services (NECS) Mandate

The Reserve Bank of India (RBI) has initiated NECS for credit of Dividend directly to the Bank Account of shareholders. Shareholders holding shares in electronic mode are requested to register their latest Bank Account details with their Depository Participant and in physical form with the Company's R & T Agent viz. Link Intime India Private Limited.

### KYC details :

According to the Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73, members holding shares in physical form, requested to furnish Self attested PAN card and bank details.

## 11. General Shareholder Information

The Company is registered with the Registrar of Companies, Maharashtra, Pune. The Corporate Identity Number (CIN) allotted to the Company by the MCA is L65993PN2009PLC134021

### Annual General Meeting and other details

Day, Date and Time	Wednesday, September 28, 2022 at 11.00 a.m. (IST)
Venue	In accordance with the General Circular issued by the MCA on May 5, 2020 read with General Circulars dated April 8, 2020, April 13, 2020 and January 13, 2021, the AGM will be held through VC/OAVM only
Financial Year	April 1 to March 31
Book Closure Date	Wednesday, September 28, 2022 as annual closure for the purpose of AGM
Last date for receipt of Proxy Forms	In terms of the relaxations granted by MCA and SEBI, the facility for appointment of Proxies by Members will not be available at the ensuing e-AGM
Listing on Stock Exchanges	The Company's Ordinary Shares are listed on the following Stock Exchanges: (1) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 (2) The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 The Company has paid the listing fees to these Stock Exchanges for FY 2021-22 and FY 2022-23
Stock Code	BSE Limited : 533303 The National Stock Exchange of India Limited : BFINVEST
International Securities Identification Number (ISIN) in NSDL and CDSL	INE878K01010 (Ordinary Shares)

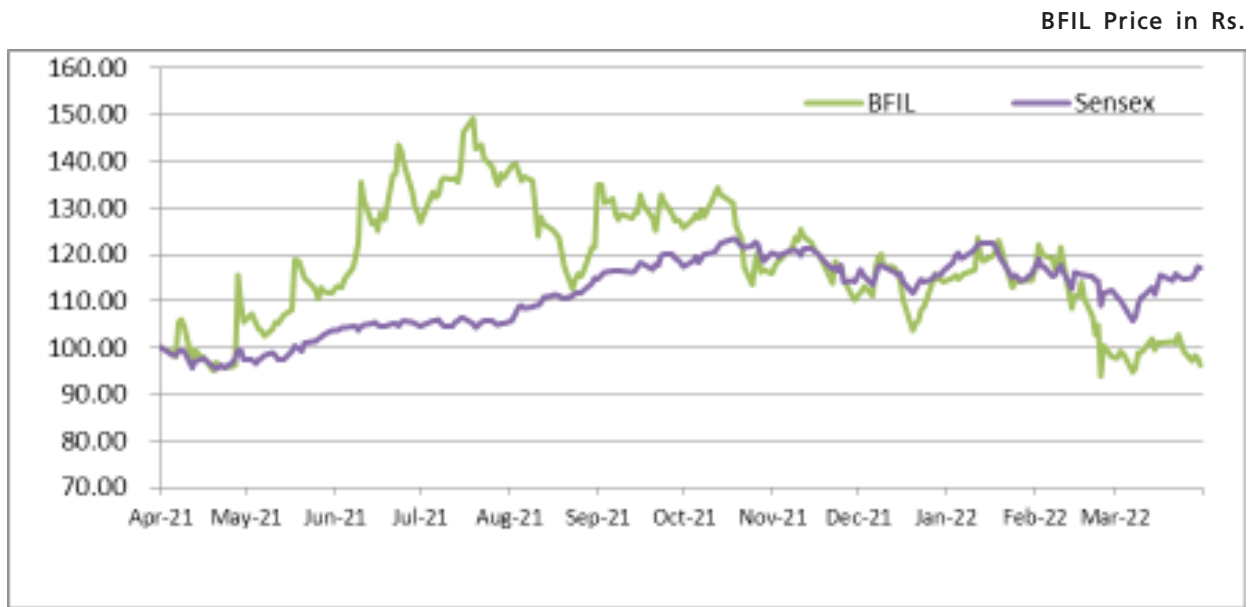
### Market Price Data

Market price data - monthly high/low, number of shares traded and number of trades of BSE/NSE depicting liquidity of the Company's Ordinary Shares on the said exchanges is given hereunder:

Stock Exchange	BSE			NSE		
	High Rs.	Low Rs.	Traded Volume	High Rs.	Low Rs.	Traded Volume
Apr-21	330.00	260.00	147582	330.95	265.90	1672102
May-21	346.35	285.80	192169	347.70	288.00	1788891
Jun-21	422.00	313.70	845426	422.90	313.10	8002349
Jul-21	445.95	356.85	291231	445.00	356.35	2953162
Aug-21	402.50	313.70	136104	402.95	311.15	869081
Sep-21	398.00	345.45	151376	398.60	344.35	1630654
Oct-21	396.00	317.95	105445	397.00	320.00	1055548
Nov-21	370.25	310.10	47067	371.40	309.80	402241
Dec-21	346.45	292.10	72900	349.80	290.70	472809
Jan-22	371.65	312.55	125398	372.55	311.70	960624
Feb-22	354.90	258.40	103811	354.00	255.80	341777
Mar-22	296.00	261.25	78684	296.95	265.00	254333

[Source: This information is compiled from the data available on the websites of BSE and NSE]

Performance of the Company's average monthly share price data in comparison to broad-based indices like BSE Sensex in FY 2021-22



Note : Share price of BF Investment Limited and BSE Sensex have been indexed to 100 as on first working day of financial year 2021-22 i.e. 1st April, 2021.

#### Registrar and Transfer Agent

Members are requested to correspond with the Company's Registrar and Transfer Agent - Link Intime India Private Limited, quoting their folio no./DP ID and Client ID at the following addresses:

For transmission, transposition and other correspondence:

Link Intime India Private Limited  
Registrar & Transfer Agent  
Block No.202, 2nd Floor, Akshay Complex,  
Off Dhole Patil Road,  
Pune 411 001.  
Phone No.: 020-26161629  
Email : [pune@linkintime.co.in](mailto:pune@linkintime.co.in)  
Website: <https://www.linkintime.co.in>  
Business Hours: 10.00 a.m. to 3.30 p.m. (Monday to Friday)

#### Share Transfer Process

Effective April 1, 2019, requests for effecting the transfer of listed securities were required to be processed only in dematerialised form with a Depository.

The Company had stopped accepting any fresh transfer requests for securities held in physical form with effect from the said date. In order to address the issue of transfer requests filed prior to April 1, 2019 but rejected due to deficiency in documents, etc., the Company accepted transfer requests up to March 31, 2021 in accordance with SEBI Circular dated September 7, 2020. After March 31, 2021, the Company has stopped accepting any transfer requests.

Dematerialisation of holdings will, *inter alia*, curb fraud in physical transfer of securities by unscrupulous entities and improve ease, convenience and safety of transactions for investors. In view of the aforesaid, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.

#### Secretarial Audit

M/s. SVD & Associates, Practising Company Secretaries (Firm Registration No.P2013MH075200), has conducted a Secretarial Audit of the Company for FY 2021-22.

The observations of Secretarial Auditors are given in the Directors' Report alongwith Board's explanations to the same.

In accordance with the SEBI Circular dated February 8, 2019 read with Regulation 24A of the SEBI Listing Regulations, the Company has obtained an Annual Secretarial Compliance Report from M/s. SVD & Associates, Practising Company Secretaries.

Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued, on a yearly basis, by M/s. SVD & Associates, Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

Subhash Y. Joshi & Co., Chartered Accountant in practice has carried out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with NSDL & CDSL and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

#### Certificate from Practising Company Secretary

M/s. SAW & Associates, Practising Company Secretaries, has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/MCA or any such statutory authority. The said Certificate is annexed to the Director's Report.

#### Distribution of Shareholding as on March 31, 2022

Range	Number of Shares	Amount	% to Capital	Number of Shareholders	% to total Shareholders
Up to 5,000	3288922	16444610	8.731	21220	99.49
5,001 to 10,000	377526	1887630	1.002	52	0.24
10,001 to 20,000	316637	1583185	0.840	22	0.10
20,001 to 30,000	114040	570200	0.303	4	0.02
30,001 to 40,000	64832	324160	0.172	2	0.01
40,001 to 50,000	168990	844950	0.449	4	0.02
50,001 to 100,000	686549	3432745	1.823	9	0.04
100,001 and above	32650132	163250660	86.680	18	0.08
	<b>37667628</b>	<b>188338140</b>	<b>100.00</b>	<b>21331</b>	<b>100.00</b>

#### Category of Shareholding as on March 31, 2022

	Category	No. of Shares	% of Shareholding
1.	Promoter and Promoter Group	27,923,126	74.13
2.	Mutual Funds / UTI	1,709	0.00
3.	Financial Institutions / Banks	3,169	0.01
4.	Bodies Corporate	1,817,710	4.83
5.	Foreign Portfolio Investors	446,289	1.18
6.	Clearing Members	9,906	0.03
7.	Non Resident Indians	78,190	0.21
8.	General Public	7,387,529	19.61
	<b>Total</b>	<b>37,667,628</b>	<b>100.00</b>

#### Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories viz. NSDL and CDSL. (%)

Shares held in	As on March 31, 2022	As on March 31, 2021
Physical form	1.48	1.67
Electronic form with NSDL	94.48	94.62
Electronic form with CDSL	4.04	3.71
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

The Company's Ordinary Shares are regularly traded on BSE and NSE

Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs or ADRs or warrants or any convertible instruments during the year under review.

## **Commodity price risk or foreign exchange risk and hedging activities**

### **Commodity Price Risk**

The Company's operations do not involve commodity price risk.

### **Foreign exchange risk and hedging activities**

The Company's operations do not involve Foreign exchange and hedging risk.

### **Address for Correspondence**

#### **BF Investment Ltd**

Mundhwa, Pune Cantonment,

Pune - 411 036,

Tel. No.: +91 77190 05777

Email: [Secretarial@bfilpune.com](mailto:Secretarial@bfilpune.com)

Website: [www.bfilpune.com](http://www.bfilpune.com)

**Credit Ratings obtained by the Company - Nil**

## **12. Other Disclosures**

### **Related Party Transactions**

All related party transactions that were entered into during FY 2021-22 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. There were no material significant related party transactions entered into by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at <http://www.bfilpune.com/RelatedPartyTransactions.html>

- i) The particulars of transactions between the Company and its related parties are in accordance with Ind AS 24 & set out in Note No.15 to the Accounts. These transactions are in the ordinary course and are not likely to have any conflict with the interest of the Company.
- ii) There were no pecuniary relationships or transactions of the non-executive directors vis-a-vis the Company, other than payment of Board fees / commission and investments (if any) in shares / securities of the Company.
- iii) There were no material transactions of the Company with its promoters, directors, management or their relatives that may have potential conflict with the interest of the Company at large.

### **Policy for determining material subsidiary**

The Company does not have any subsidiary company.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Policy, as approved by the Board, is uploaded on the Company's website at <http://www.bfilpune.com/PDF/Policy%20on%20Material%20Subsidiary.pdf>

### **Statutory Compliance, Penalties and Strictures**

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets. During the last three years, no penalties or strictures have been imposed on the Company by these authorities except as disclosed elsewhere in the Annual Report. None of the Company's listed securities is suspended from trading.

### **Whistleblower Policy and Vigil Mechanism**

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism. No personnel of the Company has been denied access to the Chairperson of the Audit Committee.

The Whistleblower Policy and Vigil Mechanism ensures that strict confidentiality is maintained in such cases and no unfair treatment is meted out to a Whistleblower.

The Whistleblower Policy as adopted by the Company is available on the Company's website at <http://www.bfilpune.com/PDF/Whistle%20Blower%20Policy.pdf>

### **Code of Conduct for Prevention of Insider Trading**

The Company has adopted the Model Code of Conduct for Prevention of Insider Trading under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Code'). The Code lays down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company

Mr. S. R. Kshirsagar, Company Secretary, is the Compliance Officer for ensuring the compliance with and for the effective implementation of the SEBI PIT Regulations and the Code across the Company.

The Company has in place a digital platform for ensuring compliance with the provisions of the SEBI PIT Regulations and the Code of Conduct for Prevention of Insider Trading.

#### **Other Policies under the SEBI Listing Regulations**

**Policy on Retention and Archival of Documents** as required under Regulation 9 of the SEBI Listing Regulations is available on the website of the Company at <http://www.bfilpune.com/PDF/Policy%20for%20prevention%20of%20Records%20BFIL.pdf>

**Policy on Determination of Materiality of Events/ Information** for Disclosures of Events or Information as per Regulation 30 of the SEBI Listing Regulations is available on the website of the Company at <http://www.bfilpune.com/PDF/Determination%20of%20Materiality%20of%20Events%20or%20Information.pdf>

#### **Accounting Treatment in preparation of Financial Statements**

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

#### **CEO/CFO Certification**

The Chief Executive Officer and the Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the SEBI Listing Regulations pertaining to CEO/CFO certification for the year ended March 31, 2022.

#### **Details of utilisation of funds raised through preferential allotment or qualified institutional placement**

The Company has not raised any funds through preferential allotment or qualified institutional placement during the year under review.

#### **Acceptance of recommendations of Committees by the Board of Directors**

In terms of the SEBI Listing Regulations, there have been no instances during the year under review, when the recommendations of any of the Committees were not accepted by the Board.

#### **Fees paid to P. G. Bhagwat LLP, Statutory Auditors and all entities in the network firm of the Statutory Auditors**

During FY 2021-22, a total fee of Rs.7.46 Lacs was paid by the Company, for all services to P. G. Bhagwat LLP, Statutory Auditors and all entities in the network firm/entity of which they are a part.

#### **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

#### **Green Initiative**

In order to enable us to further extend our support towards paperless compliance as a part of Green Initiative in the Corporate Governance, which was introduced by the Ministry of Corporate Affairs (MCA) in the year 2011, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.

In respect of shares held in physical form, shareholders are requested to register their e-mail addresses with the Company / R & T Agent (with Depository Participants in case of shares held in dematerialized form).

#### **Mandatory Requirements**

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance, except otherwise disclosed elsewhere in the Annual Report.

**Shareholder Rights:** The quarterly/half-yearly/financial performance of the Company are also available on the Company's website at: <http://www.bfilpune.com/FinancialResults.html>

**Modified opinion(s) in Audit Report:** During the year under review, there was no audit qualification in the Company's Financial Statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion. The observations given in the Secretarial Audit Report are duly explained in the Director's Report.

**Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee

**For BF Investment Limited**

Place : Pune  
Date : 30<sup>th</sup> May, 2022

**B.B. Hattarki**  
Director  
DIN:00145710

**M.U. Takale**  
Director  
DIN:01291287

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## DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the members of BF Investment Limited

I, J. G. Patwardhan, CEO & CFO of BF Investment Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the SEBI Listing Regulations for the year ended March 31, 2022.

For BF Investment Limited

Place : Pune  
Date : 30<sup>th</sup> May, 2022

J.G. Patwardhan  
C.E.O. & C.F.O.

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### TO THE BOARD OF DIRECTORS OF BF INVESTMENT LIMITED CERTIFICATION BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY OF THE COMPANY

(under Regulation 17 read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We the undersigned, in our respective capacities as, Chief Executive Officer and Chief Financial Officer and Company Secretary, of BF Investment Limited, ("the Company") to the best of our knowledge and belief certify that :

- a) we have reviewed the standalone financial statements and the cash flow statements of BF Investment Ltd. for the year 2021-22 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) 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) There are, to the best of our knowledge and belief, no transactions entered into by BF Investment Ltd. during the year 2021-22 which 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 of BF Investment Ltd. and that we have evaluated the effectiveness of the internal control systems of BF Investment Ltd. pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee, with respect to BF Investment Ltd.:
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
  - iii) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Pune  
Date : 30<sup>th</sup> May, 2022

J. G. Patwardhan  
C.E.O. & C.F.O.

S. R. Kshirsagar  
Company Secretary



**Independent Auditor's Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Members of  
BF Investment Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 4<sup>th</sup> October 2021.
2. The report contains details of compliance of conditions of Corporate Governance by BF Investment Limited ("the Company"), for the year ended 31 March 2022, as stipulated in regulations 17, 18, 19, 20, 22, 23, 24, 24A, 25, 26, 27, clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock exchanges.

**Management's Responsibility for the Declaration**

3. Compliance with the terms and conditions of the Listing Regulations relating to corporate governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents.
4. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

**Auditor's Responsibility**

5. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
6. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31st March, 2022.
7. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special purposes' (Revised 2016) and Guidance Note on Certification of Corporate Governance', both issued by Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion:**

9. 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 by regulations 17, 18, 19, 20, 22, 23, 24, 24A, 25, 26, 27, clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations, as applicable.
10. We state that 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.

**Restriction on use:**

11. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For P.G.Bhagwat LLP  
Chartered Accountants,  
Firm Registration Number : 101118W / W100682

Abhijeet Bhagwat  
Partner  
Membership No. 136835  
UDIN : 22136835AMGNGN9037

Place : Pune  
Date : May 30, 2022

## DIRECTORS' REPORT

FOR THE YEAR ENDED MARCH 31, 2022

To,  
The Members,

Your Directors have pleasure in presenting their 13<sup>th</sup> Annual Report on the business and operations of the Company together with Audited Statement of Accounts for the year ended March 31, 2022.

### 1. FINANCIAL PERFORMANCE :

(Rs. in Mlns)

Particulars	Year ended	Year ended	Year ended	Year ended
	March 31, 2022 (Standalone)	March 31, 2021 (Standalone)	March 31, 2022 (Consolidated)	March 31, 2021 (Consolidated)
Total Income	525.93	322.27	199.44	169.09
Total Expenditure	49.40	65.30	49.40	65.30
Exceptional items	-	-	-	-
Profit before taxation	476.53	256.97	2634.96*	3570.53*
Tax Expenses	114.95	73.43	657.45	900.21
Profit after Tax	361.58	183.54	1977.50	2670.32
Balance of Profit/(Loss) from previous year	3931.65	3784.82	13964.33	11404.54
Balance available for appropriation	4293.23	3968.36	15941.83	14048.93
<b>Appropriations :</b>				
Transfer to Reserve Fund in terms of Section 45-IC of the Reserve Bank of India Act, 1934	(72.32)	(36.71)	(72.32)	(36.71)
Balance carried to Balance Sheet	4220.91	3931.65	15866.58	14012.22

\*includes share in profits of associates and joint ventures

### 2. KEY FINANCIAL RATIOS

Details of changes in key financial ratios including significant changes i.e. change of 25% or more as compared to the immediately previous financial year along with detailed explanations:

Particulars	FY 2021-22	FY 2020-21	Explanation for significant change	
			(%)	
Debtor Turnover	N.A.	N.A.	NA	
Inventory Turnover	N.A.	N.A.	NA	
Interest Coverage Ratio	NIL	NIL	NA	
Debt Equity Ratio	NIL	NIL	NA	
Operating Profit Margin (%)	91.82%	83.23%	NA	
Net profit Margin (%)	68.75%	57.85%	NA	

Details of any change in Return on Net Worth as compared to the immediately previous financial year:

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Return on Net Worth (%)	6.34%	3.43%	11.52%	17.31%

Return on net worth is computed as net profit by average net worth. The details for change, if any, in return on net worth are explained in relevant sections above.

### 3. SHARE CAPITAL

The paid-up Equity Share Capital as on 31<sup>st</sup> March, 2022 stood at Rs.188.34 Millions. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31<sup>st</sup> March, 2022, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

### 4. DIVIDEND :

Your Directors do not recommend any dividend on the equity shares for the year ended March 31, 2022.

### 5. MANAGEMENT DISCUSSION AND ANALYSIS

The main object of the Company is to make strategic investments in the Kalyani Group Companies. The Company is a Non Deposit taking Core Investment Company, as defined in the Core Investment Companies (Reserve Bank) Directions, 2011. Since the Company is not a Systemically Important Non Deposit taking Core Investment Company, it is not required to obtain Certificate of Registration under Sec. 45-IA of the Reserve Bank of India Act, 1934.

The Directors confirm that the Investments have been made with the intent to hold for long term and are not held for sale.

The Company endeavours to evaluate opportunities and invest considering the macro economic conditions.

### 6. COMPANY PERFORMANCE

During the Financial Year under review, on a standalone basis, your Company earned total income of Rs.525.93 Mln. (previous years Rs.322.27 Mln.). The net profit after tax is Rs.361.58 Mlns. (previous years Rs.183.54 Mlns.).

During the Financial Year under review, on a consolidated basis, your Company earned total income of Rs.199.44 Mln. (previous years Rs.169.09 Mln.). The net profit after tax is Rs.1977.50\* Mlns. (previous years Rs. 2670.32\* Mlns.).

\*including share in profits of associates and joint ventures.

### 7. BUSINESS OVERVIEW AND OPERATIONS OF THE COMPANY

The main operations of the Company are that of investments and majority of the investments of the Company are in the nature of strategic investments in Kalyani Group Companies. The Investments have been made with a view to hold for long term and are not held for trade. The investment pattern of the Company also complies with the requirement for the Company continuing to qualify as a Non Deposit taking Core Investment Company. The main source of income for the Company is in the form of dividends as declared by these companies. The business prospects of the Company depend upon the business prospects of the underlying companies in which your Company holds investments.

### 8. FINANCE AND CREDIT RATING

During the year under review, the liquidity and cash positions were monitored with reinforced focus. Earnings from the cash surplus investments, comprising bank fixed deposits during the year saw a reduction due to the drop in the market interest rates. Nevertheless, utmost importance was given to ensure the safety and liquidity of surplus cash.

Your Company has not done any Credit Rating.

### 9. HUMAN RESOURCES

As on March 31, 2022, the Company had 2 Key Managerial Personnel on deputation, including the CEO / CFO & Company Secretary.

### 10. CONCERNS AND THREATS

- Fluctuations in the securities market and global economic scenario, may pose a risk of devaluation of the investments made by the Company.
- Main source of income for the Company is dividend from the Kalyani Group Companies.
- The risks and concerns associated with the businesses / operations of these investee companies, which may impact the performance of these companies, could result in variation in dividends declared by these companies.
- Non recovery of principal of the amounts lent and interest thereon.

### 11. PROSPECTS FOR THE CURRENT YEAR

The Indian economy has seen a sharp recovery in FY 2021-22 post COVID-19 pandemic. This resulted in substantial increase in dividend income and value of Investments held during the FY 2021-22.

## 12. BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility Report initiatives taken from an environmental, social and governance perspective in the prescribed format forms part of this Integrated Annual Report.

## 13. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to ensure operational efficiency and accuracy in financial reporting and compliance of various laws and regulations.

The internal control system is supported by the internal audit process. The internal audit is conducted by an Independent Chartered Accountant. The Audit Committee of the Board reviews the Internal Audit process and the adequacy and effectiveness of internal audit and controls periodically.

## 14. SAFETY, HEALTH AND ENVIRONMENT

The Company ensures safety of all its employees working at different places.

## 15. CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

## 16. SUBSIDIARY COMPANIES, JOINT VENTURES & ASSOCIATES

The Company does not have any subsidiary company as on March 31, 2022. The information of joint ventures and associates is given in the annual accounts for the year ended March 31, 2022 enclosed and forming part of the Annual Report. As on March 31, 2022, the Company had 6 Associates and 2 joint ventures. There has been no material change in the nature of the business of the Joint Ventures and Associates.

The Company's Policy on determining material subsidiaries, as approved by the Board, is uploaded on the Company's website at <http://www.bfilpune.com/PDF/Policy%20on%20Material%20Subsidiary.pdf>

A report on the financial position of each of the Associates and joint ventures as per the Act is provided in Form No. AOC-1 attached hereto and also given in the Financial Statements.

## 17. PARTICULARS OF INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013, RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The details are given in 'Annexure III'

## 18. NUMBER OF MEETINGS OF THE BOARD

During the year under review, seven Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations 2015 hereinafter called "Regulations, 2015".

## 19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, in respect of Directors' Responsibility Statement, your Directors' to the best of their knowledge and ability state that:

- a) in the preparation of the Annual Financial Statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- b) accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently. Further judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Annual Financial Statements have been prepared on a going concern basis;
- e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and

- f) proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## 20. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with Rule (6) of The Companies (Appointment and Qualifications) rules, 2014 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also confirmed that they have complied with the Code of Independent Directors prescribed in Schedule IV of The Companies Act, 2013.

The Company has laid down a Code for the Board of Directors and Senior Management of the Company. The said Code is available on the website of the Company viz. <http://www.bfilpune.com/PDF/Code%20of%20Conduct.pdf>

All the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct.

## 21. COMPANY'S POLICY ON DIRECTORS' AND KMP'S APPOINTMENT AND REMUNERATION

Director's appointment and remuneration is done as per the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The Policy is available on the website of the Company viz. <http://www.bfilpune.com/PDF/Code%20of%20Conduct.pdf>

## 22. ACCOUNTS AND AUDIT

### a. Statutory Auditors

P. G. Bhagwat LLP, Chartered Accountants, Pune (FRN. 101118W/ W100682), are the auditors of the Company and will continue the audit for Financial year 2022-23. The Audit report of P. G. Bhagwat LLP on the Financial Statements of the Company for the Financial Year 2021-22 is a part of the Annual Report. The Report does not contain any qualification, reservation, adverse remark or disclaimer

### b. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. SVD & Associates, Company Secretaries, Pune, to undertake the Secretarial Audit of the Company for the year 2021-22. The Report of the Secretarial Audit is annexed herewith as 'Annexure IV' to this Report.

### c. Cost Auditor

The cost audit rules are not applicable to the Company.

### d. Consolidated Accounts

The Consolidated Accounts for the year ended 31<sup>st</sup> March, 2022 are enclosed. Further, a statement containing the salient features of the financial statements of associate companies and joint ventures in the prescribed Form AOC-1 is appended as 'Annexure V' which forms part of this Report.

The Company will make the said financial statements and related detailed information available upon the request by any Member of the Company. These financial statements will also be kept open for inspection by any Member at the Registered Office of the Company. Pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with relevant documents are available on the website of the Company at <http://www.bfilpune.com/FinancialResults.html>.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Policy, as approved by the Board, is uploaded on the Company's website at <http://www.bfilpune.com/PDF/Policy%20on%20Material%20Subsidiary.pdf>.

The Company does not have a subsidiary.

## 23. EXPLANATION ON COMMENTS ON STATUTORY AUDITORS' AND SECRETARIAL AUDITORS' REPORTS

There are no qualifications, reservations or adverse remarks or disclaimers made by P. G. Bhagwat LLP, Statutory Auditors, in their Audit Report. M/s. SVD & Associates, Practicing Company Secretary, in their Secretarial Audit Report have made certain qualifications. The auditors qualifications and Boards explanation thereto are summarized as under:

Auditors Qualifications	Boards' explanation
Secretarial Audit -	
<i>1. As required under respective regulations of LODR: The Company has delayed in submission of</i>	Due to delay in finalisation of quarterly results by some of the Associates, the Company could not finalise

Auditors Qualifications	Boards' explanation
Secretarial Audit -	
<i>consolidated financial results under Regulation 33(3)(b) of LODR for the quarter ended June 30, 2021. Consequently, the Company received notices from BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) both dated September 14, 2021 imposing a penalty of Rs. 23,600/- each. The Company has paid penalty on September 15, 2021</i>	the consolidated results for the quarter ended 30 <sup>th</sup> June, 2021. The delay was unintentional
<i>II. As required under respective regulations of ICDR &amp; LODR: The Company noticed that two entities ("said entities") that hold an insignificant number of shares in the Company and qualify as "promoter group" under Regulation 2(1)(pp) of the SEBI ICDR r/w Regulation 2(1)(zb) of the SEBI ICDR Regulations 2009 had inadvertently not been classified as such, in the Company's shareholding pattern as disseminated on stock exchange platforms under Regulation 31(1) r/w Regulation 103(2) of the SEBI LODR. The said inadvertent error has been rectified in the Company's shareholding pattern for the quarter ended December 31, 2021 in accordance with Regulation 31(1) of SEBI LODR and reflects the said entities as part of the promoter group. The Company has suo-moto and voluntarily approached SEBI to settle on such terms as may be mutually acceptable, in accordance with the Settlement Regulations, in full and final settlement of any and all proceedings that may be proposed or contemplated in this respect.</i>	The observation is self explanatory.

#### 24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

During the year, the Company has not made any fresh investments. The closing balances of investments which would be covered under Section 186 of the Companies Act, 2013, are disclosed in the Schedule of Non-Current Investments in the Financial Statements. The details of loans and guarantees, if any, are given in the financial statements of 2021-22.

#### 25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013

The Company has formulated a Policy on Related Party Transactions which is available on the Company's website at <http://www.bfilpune.com/RelatedPartyTransactions.html>. All related party transactions entered into during FY 2021-22 were on arm's length basis and in the ordinary course of business. No material related party transactions were entered into during the year under review by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 ('the Act') in Form No. AOC-2 is not applicable to the Company for FY 2021-22 and hence the same is not provided.

All transactions with related parties were reviewed and approved by the Audit Committee. Omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. A statement giving details of all related party transactions entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review. The related party transactions entered into pursuant to the omnibus approval so granted are also reviewed by the internal audit team on a half-yearly basis.

The details of the transactions with related parties are provided in the accompanying Financial Statements.

#### 26. STATE OF COMPANY'S AFFAIRS

Discussion on state of Company's affairs has been covered in the Management Discussion and Analysis.

#### 27. AMOUNTS PROPOSED TO BE CARRIED TO RESERVES

Particulars of the amounts proposed to be carried to reserves have been covered as part of the financial performance of the Company.

**28. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report, except as disclosed elsewhere in this report.

**29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

**A. Conservation of Energy and Technology Absorption**

The Company has no particulars to report regarding conservation of energy, technology absorption as required under Section 134 (3) (m) of the Companies Act, 2013, read with Rules thereunder.

**B. Foreign exchange earnings and outgo**

Sr. No.	Particulars	Amount in ₹
i	Foreign Exchange earned in terms of actual inflows during the year	Nil
ii	Foreign Exchange outgo during the year in terms of actual outflows	Nil

**30. DIVIDEND DISTRIBUTION POLICY :**

In term of Regulations 43A of SEBI Listing Regulations, the Board of Directors of the Company has adopted a Dividend Distribution Policy which can be accessed on the website of the Company at <http://www.bfilpune.com/PDF/Dividend%20Distribution%20Policy.pdf>

**31. RISK MANAGEMENT POLICY**

Risk Management at BF Investment Ltd. forms an integral part of Management focus.

The Risk Management Committee oversees the risk management process in the Company. The RMC is chaired by an Independent Director and the Chairperson of the Audit Committee is also a member of the RMC.

Some of the risks identified are set out in the Management Discussion and Analysis and this report which forms part of this Integrated Annual Report.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

**32. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Corporate Social Responsibility ('CSR') activities of the Company are governed through the Corporate Social Responsibility Policy ('CSR Policy') approved by the Board. The CSR Policy guides in designing CSR activities for improving quality of life of society and conserving the environment and biodiversity in a sustainable manner. The CSR Committee of the Board oversees the implementation of CSR Projects in line with the Company's CSR Policy. The CSR Policy is available on Company's website <http://www.bfilpune.com/PDF/Corporate%20Social%20Responsibility%20Policy.pdf>

The Annual Report on CSR activities for FY 2021-22 is enclosed as 'Annexure I' to this Report.

**33. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**

The information is given at the relevant places in the Financial Statements.

**34. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There has been no change in the nature of business during the Financial Year under review.

**35. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

**Directors appointed during the year**

Name of Director	Designation	Term of appointment
Mr. B. S. Mitkari	Non Independent Director	Appointed in Annual General Meeting held on September 30, 2021, liable to retire by rotation.

**Independent Directors**

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management. In terms of Regulation 25(8) of the SEBI Listing

Regulations, they have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. They are not liable to retire by rotation in terms of Section 149(13) of the Act.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of technology, strategy, finance, engineering and Law, etc. and that they hold highest standards of integrity

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. They are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

Details of Familiarisation Programme for the Independent Directors are provided separately in the Corporate Governance Report which forms a part of this Integrated Annual Report.

#### **Key Managerial Personnel ('KMP')**

In terms of the provisions of Section 2(51) and Section 203 of the Act, the following are the KMP of the Company:

- Mr. J. G. Patwardhan CEO & CFO
- Mr. S. R. Kshirsagar (Company Secretary)

**Employees designated as Key Managerial Personnel (KMP) during the year**

NIL

**Directors and KMP's resigned during the year/ change of status of Director**

None of the Directors and KMPs resigned during the year ended March 31, 2022.

Mr. M. U. Takale, ceased to be Independent Director w.e.f. November 11, 2021. He continues as Non Independent Director.

#### **Procedure for Nomination and Appointment of Directors.**

The NRC is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing the profiles of potential candidates vis-a-vis the required competencies and meeting the potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position including expert knowledge expected is communicated to the appointee.

The list of core skills, expertise and competencies of the Board of Directors as are required in the context of the businesses and sectors applicable to the Company are identified by the Board and are available with the Board. The Company has also mapped each of the skills, expertise and competencies against the names of the Board Members possessing the same. The same is disclosed in the Corporate Governance Report forming part of this Integrated Annual Report.

#### **Criteria for determining Qualifications, Positive Attributes and Independence of a Director**

The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and the SEBI Listing Regulations. The relevant information has been given in 'Annexure II' which forms part of this Report. The Policy on Nomination & Remuneration Policy is available on the website of the Company <http://www.bfipune.com/PDF/Nomination%20Remuneration%20Policy.pdf>

#### **Board Evaluation**

The Board has carried out the annual evaluation of its own performance and that of its Committees and individual Directors for the year pursuant to the provisions of the Act and the SEBI Listing Regulations.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the Directors. The criteria for performance evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, contribution in the long-term strategic planning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members. The criteria for performance evaluation are broadly based on the Guidance Note issued by SEBI on Board Evaluation which included aspects such as structure and composition of Committees, effectiveness of Committee Meetings, etc.

The Chairman of the Board had one-on-one meetings with each Independent Director and the Chairman of the NRC had one-on-one meetings with each Non-Executive, Non-Independent Directors.

In a separate meeting, the Independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole including the Chairman of the Board. The NRC reviewed the



performance of the Board, its Committees and of the Individual Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors and the NRC, at which the feedback received from the Directors on the performance of the Board and its Committees was also discussed.

The Company follows a practice of addressing each of the observations and suggestions by drawing up an action plan and monitoring its implementation through the Action Taken Report which is reviewed by the Board of Directors from time to time.

#### **Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting**

1) Mr. M. U. Takale (DIN : 01291287) is proposed to be re-appointed in the ensuing Annual General Meeting.

The brief resumes and other details relating to Directors who are proposed to be re-appointed, as required to be disclosed under 'Regulations 2015', form part of the Notes and Statement setting out material facts annexed to the Notice of the Annual General Meeting.

#### **36. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

NIL.

#### **37. DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE COMPANIES ACT, 2013**

None. The Company has not accepted Public Deposits under Chapter V of the Companies Act, 2013.

#### **38. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

The Company has neither received nor is aware of any such order from Regulators, Courts or Tribunals during the year.

There are no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 as at the end of the financial year, nor has the Company done any one time settlement with any Bank or Financial Institutions.

#### **39. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has suitable internal control system comprising of proper checks and balances, policies and procedures. This includes code of conduct, whistle blower policy, MIS and internal audit mechanism.

The Audit Committee along with Management reviews the internal audit and internal controls on a regular basis. The internal audit is conducted by an Independent Chartered Accountant.

The Audit Committee deliberated with the members of the management, considered the systems as laid down and met the internal audit team and statutory auditors to ascertain, their views on the internal financial control systems. The Audit Committee satisfied itself as to the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed. However, the Company recognises that no matter how the internal control framework is, it has inherent limitations and accordingly, periodic audits and reviews ensure that such systems are updated on regular intervals.

#### **40. COMPOSITION OF BOARD AND AUDIT COMMITTEE**

The composition of the Board and Audit Committee has been mentioned in the Corporate Governance Report annexed to this Report.

#### **41. COMPOSITION OF CSR COMMITTEE**

The CSR Committee comprised 3 Members out of which 2 are independent Directors. During the year under review, 1 meeting of the CSR Committee was held, details of which are provided in the Corporate Governance Report. The CSR Policy is available on the website of the Company at <http://www.bfilpune.com/PDF/Corporate%20Social%20Responsibility%20Policy.pdf>. During the year under review, there were no instances when the recommendations of the CSR Committee were not accepted by the Board.

In view of the loss u/s 198 of the Companies Act, 2013 the Company has no CSR obligations in FY 2021-22.

#### **42. WHISTLEBLOWER POLICY AND VIGIL MECHANISM**

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism. This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website <http://www.bfilpune.com/PDF/Whistle%20Blower%20Policy.pdf>

#### **43. CASH FLOW**

A Cash Flow Statement for the year ended March 31, 2022 is attached to the Balance Sheet.

#### **44. CORPORATE GOVERNANCE**

A report on the Corporate Governance, along with the certificate of compliance from the Auditors, forms part of the Annual Report.

**45. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No cases were pending at the beginning of the year and no complaint was pending at the end of the financial year.

The Company has constituted Internal Complaints Committee under the POSH Act and during the year under review, no complaints were received by the Committee

**46. Reporting of Fraud**

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act details of which needs to be mentioned in this Report.

**47. AUDITORS**

**1. Statutory Auditors**

At the Ninth Annual General Meeting held on 1<sup>st</sup> September, 2018 P. G. Bhagwat LLP, Chartered Accountants (Firm Registration No.101118W/W100682), were appointed as Statutory Auditors of the Company to hold office till the conclusion of 14<sup>th</sup> Annual General Meeting.

**2. Secretarial Audit**

Pursuant to the provisions of Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. SVD & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the year 2021-22. The Secretarial Audit Report is annexed herewith as 'Annexure IV'.

M/s. SVD & Associates, Practicing Company Secretaries has also submitted Secretarial Compliance Report as laid down in SEBI Circular CIR/CFD/CMD1/27/2019 dated 8th February 2019 and has also confirmed that the Company has complied with all applicable SEBI Regulations and circulars / guidelines issued thereunder, for the Financial Year 2021-22, subject to the observations given therein.

**3. SECRETARIAL STANDARDS**

During the year under review, the Company has complied with Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, to the extent applicable.

**4. CERTIFICATE FROM PRACTICING COMPANY SECRETARY:**

The Company has received a certificate from Mr. Sunny Warghade, Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified by MCA or SEBI or any such statutory authority from being appointed / continuing as Director and the same is appended as 'Annexure VI' to the Directors' Report.

**48. Annual Return**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website at <http://www.bfilpune.com>.

**49. ACKNOWLEDGMENTS**

Your Directors wish to place on record, their appreciation for the contribution made and support provided to the Company by the shareholders, employees and bankers, during the year under the report.

For and on behalf of the Board of Directors

A. B. Kalyani  
Director  
DIN:00089430

J. G. Patwardhan  
CEO/CFO  
PAN : AEAPP5559B

S. R. Kshirsagar  
Company Secretary  
PAN : AWUPK4403D

Place : Pune  
Date : 30<sup>th</sup> May, 2022

## 'ANNEXURE I' TO THE DIRECTORS' REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 ('the Act') & Rules made thereunder]

**1. Brief outline on CSR Policy of the Company:**

BF Investment Limited ('the Company') is committed to upholding the highest standards of Corporate Social Responsibility ('CSR'). The Company has identified training and education and hygiene as thrust areas for CSR activities.

The Company has framed a CSR Policy in compliance with the provisions of the Act, which is available on the Company's website at <http://www.bfilpune.com/PDF/Corporate%20Social%20Responsibility%20Policy.pdf>.

**2. Composition of CSR Committee as on March 31, 2022:**

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. B. B. Hattarki (Chairman)	Independent Director	1	1
2	Mr. A. B. Kalyani	Non-Executive Non-Independent Director	1	1
3	Mr. M. U. Takale	Independent Director	1	1

**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:**

<http://www.bfilpune.com/BoardCommittee.html>,

<http://www.bfilpune.com/PDF/Corporate%20Social%20Responsibility%20Policy.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

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 -

Sl. No	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
Not Applicable			

**5. Average net profit of the Company as per Section 135(5):**

Rs.(12,95,697)/- for the preceding three Financial Years.

6. a) Two percent of average net profit of the Company as per Section 135(5): NIL  
 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: N.A.  
 d) Total CSR obligation for the financial year (7a+7b-7c): NIL
7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs.in Crores)	Amount Unspent (Rs. in Crores)				
	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	Date of transfer	Name of the Fund	Amount	Date of transfer
1.85	N.A.	N.A.	N.A.	N.A.	N.A.

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

NIL

(i) 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.crore)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District/Area			Name	CSR registration number
NIL									

(ii) Amount spent in Administrative Overheads: NIL

(iii) Amount spent on Impact Assessment: N.A.

(iv) Total amount spent for the Financial Year (8b+8c+8d+8e): NIL

(v) Excess amount for set-off, if any: NIL

8. (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 ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

(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
Not Applicable								

9. 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).

(a) Date of creation or acquisition of the capital asset(s): NA

(b) Amount of CSR spent for creation or acquisition of capital asset: NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc: NIL

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): As per table below

Assets Description	Date of Creation	Amount (Rs.)	Address
NA			

10. 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

Place : Pune  
Date : 30<sup>th</sup> May, 2022

B.B. Hattarki  
Chairman CSR Committee  
DIN:00145710

M.U. Takale  
Director  
DIN:01291287

## 'ANNEXURE II' TO THE DIRECTORS' REPORT

### Criteria for Determining Qualifications, Positive Attributes and Independence of Directors

#### 1. Definition of Independence

1. A director will be considered as an 'Independent Director' ('ID') if the person meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
2. The definition of Independent Director is as provided in the Act and Listing Regulations.
3. Current and ex-employees of a Kalyani Group company may be considered as independent only if he/she has or had no pecuniary relationship with the Company (due to employment/receipt of monthly pension by way of Special Retirement Benefits/holding consultant or advisor positions) during the two immediately preceding financial years or during the current financial year.

#### 2. Qualifications of Directors

1. Boards will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.
2. It is expected that boards have an appropriate blend of functional and industry expertise.
3. While recommending appointment of a director, it is expected that the Nomination and Remuneration Committee ('NRC') consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.
4. Independent Directors ideally should be thought / practice leaders in their respective functions / domains.

#### 3. Positive attributes of Directors

Directors are expected to comply with duties as provided in the Act. For reference, the duties of the Directors as provided by the Act are as follows:

1. Act in accordance with the articles of the company.
2. Act in good faith in order to promote the objects of the company for the benefit of its members as a whole and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
3. Exercise duties with due and reasonable care, skill and diligence and exercise independent judgement.
4. Not be involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
5. Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
6. Not assign his office.

On behalf of the Board of Directors

A. B. Kalyani  
Chairman  
(DIN:00089430)

Pune, 30<sup>th</sup> May, 2022

## 'ANNEXURE III' TO THE DIRECTORS' REPORT

INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013, RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- A. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for FY 2021-22 as well as the percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary are as under:

Name of Director/Key Managerial Personnel	Ratio to median remuneration	% increase in remuneration over previous year
<b>Non-Executive Directors</b>		
Mr. A. B. Kalyani	12.5:1	400%
Mr. B. B. Hattarki	1:1	60%
Mr. M. U. Takale	1:1	60%
Ms. A. A. Sathe	1:1	60%
Mr.S. G. Joglekar	1:1	60%
Mr. B. S. Mitkari	1:1	60%
<b>Key Managerial Personnel</b>		
Mr. J. G. Patwardhan, CEO & CFO	1.5:1	6%
Mr. S. R. Kshirsagar, Company Secretary	0.5:1	10%

- B. Percentage increase in the median remuneration of employees in FY 2021-22: 8%
- C. Number of permanent employees on the rolls of the Company as on March 31, 2022:  
2 (all the employees on deputation)
- D. Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration :

Particulars	% change in remuneration
Average increase in salary of employees (other than managerial personnel)	NA
Average increase in remuneration of managerial personnel	NA

- E. Affirmation:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

- F. Statement showing the names of the top ten employees in terms of remuneration drawn and the names of every employee who -
- if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore Two Lakhs Rupees;
  - if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakhs Fifty Thousand Rupees per month;
  - if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

No employee falls in this category.

On behalf of the Board of Directors

A. B. Kalyani  
Chairman  
(DIN:00089430)

Pune, 30<sup>th</sup> May, 2022

## 'ANNEXURE IV' TO THE DIRECTORS' REPORT

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2022

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

and

[Pursuant to Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To,

The Members,  
**BF Investment Limited,**  
Mundhwa, Pune Cantonment  
Pune-411036  
CIN: L65993PN2009PLC134021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BF Investment Limited** having CIN: L65993PN2009PLC134021 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing 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 March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013, as amended from time to time (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, External Commercial Borrowings and Overseas Direct Investment, wherever applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR);
  - d) The Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (Settlement Regulations);
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 upto August 12, 2021. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 with effect from August 13, 2021 (not applicable to the Company during the audit period);
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 upto August 15, 2021. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations 2021 with effect from August 16, 2021) (not applicable to the Company during the audit period);
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (not applicable to the Company during the audit period);
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 upto June 10, 2021. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation 2021, with effect from June 11, 2021 (not applicable to the Company during the audit period); and

- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the Company during the audit period).
- (vi) The management has identified and confirmed the compliances of the following law as specifically applicable to the Company:
- (a) The Reserve Bank of India Act, 1934 (to the extent applicable to the Core Investment Company).

We have also examined compliance with the applicable clauses and regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

During the year under review, the company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above subject to the following:

1. *The Company has delayed in submission of consolidated financial results under Regulation 33(3)(b) of LODR for the quarter ended June 30, 2021. Consequently, the Company received notices from BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) both dated September 14, 2021 imposing a penalty of Rs. 23,600/- each. The Company has paid penalty on September 15, 2021.*
2. *The Company noticed that two entities ("said entities") that hold an insignificant number of shares in the Company and qualify as "promoter group" under Regulation 2(1)(pp) of the SEBI ICDR r/w Regulation 2(1)(zb) of the SEBI ICDR Regulations 2009 had inadvertently not been classified as such, in the Company's shareholding pattern as disseminated on stock exchange platforms under Regulation 31(1) r/w Regulation 103(2) of the SEBI LODR. The said inadvertent error has been rectified in the Company's shareholding pattern for the quarter ended December 31, 2021 in accordance with Regulation 31(1) of SEBI LODR and reflects the said entities as part of the promoter group. The Company has suo-moto and voluntarily approached SEBI to settle on such terms as may be mutually acceptable, in accordance with the Settlement Regulations, in full and final settlement of any and all proceedings that may be proposed or contemplated in this respect.*

**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 generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Further, in the incidences where, for the purpose of any Board or Committee Meeting, notice, agenda or notes to agenda are circulated with shorter period of less than seven days, all the Directors including Independent Directors have consented to the shorter period of circulation of the same.

All decisions at Board Meetings, Committee Meetings and by way of circular resolution of Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**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. except the following :-

1. Board of Directors at its meeting held on November 11, 2021 approved the change in category of Mr. M. U. Takale from Independent Director to Non-Independent Director with immediate effect.

For SVD & Associates  
Company Secretaries

Sheetal S. Joshi  
Partner  
FCS No. 10480  
C P No. 11635

Place: Pune  
Date: May 31, 2022

UDIN:F010480D000440503  
Peer Review No : P2013MH075200

**Note:**

*This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.*



To,  
Members,

**BF Investment Limited**  
Mundhawa, Pune Cantonment,  
Pune- 411036  
CIN: L65993PN2009PLC134021

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

**Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. We have relied on the documents and evidences provided physically and through electronic mode.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

**Disclaimer**

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For SVD & Associates  
Company Secretaries

Sheetal S. Joshi  
Partner  
FCS No. 10480  
C P No. 11635

UDIN:F010480D000440503  
Peer Review No : P2013MH075200

Place: Pune  
Date: May 31, 2022

## 'ANNEXURE V' TO THE DIRECTORS' REPORT

### STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

[Pursuant to first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 - Form AOC - 1]

#### Part "A": Subsidiaries: -

The Company does not have subsidiaries

#### Part "B": Associates and Joint Ventures : -

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

Sr.	Name of Associates / Joint Ventures	Kalyani Steels Ltd.	Kalyani Financial Services Ltd.	Nandi Engineering Ltd.	KSL Holdings Pvt. Ltd.	Triumphant Special Alloys Pvt. Ltd	Synise Technologies Limited	Meritor HVS (India) Ltd.	Automotive Axles Ltd.
1	Date of the latest audited Balance Sheet	31/03/2022	31/03/2022	31/03/2022	31/03/2022	31/03/2022	31/03/2022	31/03/2022	31/03/2022
2	Shares of Associates / Joint Ventures heldby the Company on the year end								
	No.	17,052,421	2,940,000	25,000	32,999,000	3,195,397	1,131,793	1,190,694	5,367,803
	Amount of Investment in Associates / Joint Ventures	Rs. 309.57 Mln #	Rs.47.88 Mln #	Rs. 1/- #	Rs.330 Mln #	Rs.4.76 Mln #	Rs. 1/- #	Rs. 11.91 Mln. #	Rs.260.68 Mln #
	Extent of holding %	39.06	49.00	40.00	42.52	45.51	46.77	48.99	35.52
3	Description of how there is significant influence	Associate	Associate	Associate	Associate	Associate	Associate	Joint Venture	Joint Venture
4	Reason why the associates / joint ventures is not consolidated	Not applicable	Not applicable	see note below *	Not applicable	Not applicable	see note below *	Not applicable	Not applicable
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	Rs.5341.29 Mln	Rs. 731.08 Mln	*	Rs.18,599.69 Mln	Rs.6.15 Mln	*	Rs.1026.96 Mln	Rs.2306.01 Mln
6	Profit/Loss for the year								
	i) Considered in Consolidation	Rs.967.59 Mln	Rs.(0.34) Mln	*	Rs.863.05 Mln	Rs.0.36 Mln	*	Rs.390.14 Mln	Rs.264.12 Mln
	ii) Not Considered in Consolidation	Rs.1509.60 Mln	Rs. (0.35) Mln	*	Rs.1166.69 Mln	Rs.0.43 Mln	*	Rs.406.23 Mln	Rs.479.46 Mln

Note : \* Companies not considered for consolidation in view of Brought forward losses.

# As Per Historical cost (IGAAP)

For and on behalf of the Board of Directors

A. B. Kalyani  
Director  
DIN:00089430

J. G. Patwardhan  
CEO/CFO  
PAN : AEAPP5559B

S. R. Kshirsagar  
Company Secretary  
PAN : AWUPK4403D

Place : Pune  
Date : 30<sup>th</sup> May, 2022

## 'ANNEXURE VI' TO THE DIRECTORS' REPORT

### 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 of  
BF Investment Limited  
Mundhwa,  
Pune Cantonment,  
Pune - 411 036

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of BF Investment Limited having CIN L65993PN2009PLC134021 and having registered office at Mundhwa, Pune Cantonment, Pune - 411 036 (hereinafter referred to as 'the Company'), produced before 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 verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below 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.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	AMIT BABASAHEB KALYANI	00089430	26/05/2009
2	BHALCHANDRA BASAPPA HATTARKI	00145710	26/05/2009
3	MADAN UMAKANT TAKALE	01291287	05/03/2010
4	AARTI ARUN SATHE (INDEPENDENT)	06925030	31/03/2015
5	SANJEEV GAJANAN JOGLEKAR	00073826	01/04/2019
6	BHALCHANDRA SHANKAR MITKARI	03632549	01/04/2019

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.

Place: Pune  
Date :13<sup>th</sup> June, 2022

Signature:  
Name: Sunny Arun Warghade  
Membership No.: 30072  
CP No.: 11426,  
UDIN: A030072D000487771

## BUSINESS RESPONSIBILITY REPORT

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN): L65993PN2009PLC134021
2. Name of the Company: BF Investment Limited
3. Registered address: Mundhwa, Pune Cantonment, Pune ñ 411 036, Maharashtra, India
4. Website: www.bfilpune.com
5. E-mail id: secretarial@bfilpune.com
6. Financial Year reported: 2021-22
7. Sector(s) that the Company is engaged in (industrial activity code-wise):  
BF Investment Limited is in the business of Investment and financing and is a core investment company.

*Industrial Group	Description
N.A.	Investment and Financing

8. List three key products/services that the Company manufactures/provides (as in balance sheet)

Sr. No.	Name and Description of main products/services
1	Investment and Financing

9. Total number of locations where business activity is undertaken by the Company:
  - (a) Number of International Locations (Provide details of major 5):  
NIL
  - (b) Number of National Locations:  
Mundhwa Pune 411036 , Maharashtra State.
10. Markets served by the Company - Local / State / National / International:  
Local market in India.

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital: Rs.188.34 Million
2. Total Turnover: Rs.525.93 Million
3. Total Profit after Taxes: Rs.361.58 Million
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):  
N.A.
5. List of activities in which expenditure in 4 above has been incurred:  
N.A.

### SECTION C: OTHER DETAILS

1. Subsidiary Company/Companies  
The Company does not have any subsidiary as on March 31, 2022.
2. Participation of Subsidiary Company / Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s).  
NA
3. Participation of any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]  
No, other entities with whom the Company does business with viz. suppliers, distributors etc. participate in the BR initiatives of the Company.

## SECTION D: BR INFORMATION

### 1. Details of Director / Directors responsible for BR

#### (a) Details of the Director / Directors responsible for implementation of the BR policy / policies

DIN : 00089430  
 Name : Mr. A. B. Kalyani  
 Designation : Director

#### (b) Details of the BR head

Sr. No.	Particulars	Details
1	DIN	00089430
2	Name	Mr. A. B. Kalyani
3	Designation	Director
4	Telephone Number	+91 - 77190 05777
5	E-mail Id	secretarial@bfilpune.com

### 2. Principle-wise (as per NVGs) BR Policy / policies?

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as under:

- P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.  
 P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.  
 P3 - Businesses should promote the well-being of all employees.  
 P4 - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.  
 P5 - Businesses should respect and promote human rights.  
 P6 - Businesses should respect, protect and make efforts to restore the environment.  
 P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.  
 P8 - Businesses should support inclusive growth and equitable development.  
 P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

#### (a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	Business Ethics	Product Responsibility	Wellbeing of Employees	Stakeholder Engagement and CSR	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy / policies for	Y	NA	Y	N	N	N	N	Y	N
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	NA	N	NA	NA	N.A	NA	N	NA
3	Does the policy conform to any national / international standards? If yes, specify?	The policies are in line with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board of Directors?	The mandatory Policies under Indian laws and regulations have been adopted by the Board and signed by the Director.								

5	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	The Company has a well-established internal governance structure to ensure implementation of various policies. We review the implementation of policies through our internal audit, risk management process, monitoring of KPI's in-line with established Policies.
6	Indicate the link for the policy to be viewed online?	Mandatory Policies viz. CSR Policy, Insider Trading Policy, Code of Conduct etc. are available on Company's website. All other policies are available at the Registered Office.
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. Policies are communicated to internal stakeholders and the same are available at the Registered Office. Wherever required, the Policies are also communicated to our external stakeholders and are made available on Company's website.
8	Does the Company have in-house structure to implement the policy/policies?	Yes. We have an in-house structure with clearly defined roles and responsibilities which periodically reviews implementation of various policies under the aegis of Internal Risk Management Framework, Internal Audits and review of KPI's at various levels of management.
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Yes. Each of the Policies formulated by the Company have an in-built grievance and redressal mechanism.
10	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Policies are subject to internal and external audits as part of certification process and ongoing periodic assessments where ever required.

(b) If answer to the question at serial number 1 against any principle is 'No', please explain why: (Tick upto 2 options)

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	This clause is not applicable considering nature of business.				-	The Company is always responsive to its customer needs.

### 3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR Performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year.

Annually.

(b) Does the Company publish a BR or a Sustainability Report? What is hyperlink for viewing this report? How frequently it is published ?

No.

#### SECTION E: PRINCIPLE-WISE PERFORMANCE

**Principle1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Yes. It extends to outside Company to the extent applicable.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the year under review, the Company has not received any complaint under the investigation mechanism.

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

1. List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities

Considering nature of our business, these clauses are not applicable.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

5. Does the Company have a mechanism to re-cycle products and waste? If yes, what is the percentage of re-cycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Considering nature of business, these clauses are not applicable

**Principle 3: Businesses should promote the well-being of all employees**

1. Please indicate the total number of employees

Total number of employees: on deputation 2

2. Please indicate the total number of employees hired on temporary / contractual / casual basis:

Total number of employees hired on temporary / contractual / casual basis: NIL

3. Please indicate the number of permanent women employees:

Number of permanent women employees: Nil

4. Please indicate the number of permanent employees with disabilities:

Number of permanent employees with disabilities: NIL

5. Do you have an employee association that is recognized by Management?

No.

6. What percentage of your permanent employees is members of this recognised employee association?

N.A.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as at the end of the financial year

Sr.No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour / forced labour / Involuntary labour	Nil	Nil
2.	Sexual Harassment	Nil	Nil
3.	Discriminatory Employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?

- Permanent Employees - NIL
- Permanent Women Employees - NIL
- Casual / Temporary / Contractual Employees - NIL
- Employees with Disabilities - NA

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.**

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

NIL

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders ? If so, provide details thereof, in about 50 words or so.

NIL

**Principle 5: Businesses should respect and promote human rights**

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs/Others?

The Company does not have a stated Human Rights Policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Except to the extent specifically stated elsewhere in Annual Report, during the year under review, the Company has not received any complaint from any stakeholders.

**Principle 6: Businesses should respect, protect and make efforts to restore the environment**

1. Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?

N.A.

2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Yes/No If yes, please give hyperlink for webpage etc.

N.A.



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3. Does the Company identify and assess potential environmental risks? Y/N

No

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

N.A.

5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

N.A.

6. Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

N.A.

7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as at end of the Financial Year.

NIL

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1. Is your Company is a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:

No.

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

N.A.

**Principle 8: Businesses should support inclusive growth and equitable development**

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.

The Company has CSR Policy

2. Are the programmes / projects undertaken through inhouse team / own foundation / external NGO / government structures / any other organization?

N.A..

3. Have you done any impact assessment of your initiative?

No.

4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

The Company evaluates various areas / projects from time to time.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

N.A.

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**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1. What percentage of customer complaints / consumer cases are pending as on the end of Financial Year.

NIL

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No N.A./Remarks (additional information)

N.A.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior during the last five years and pending as at the end of Financial Year. If so, provide details thereof, in about 50 words or so.

No.

4. Did your Company carry out any consumer survey / consumer satisfaction trends?

No.

# INDEPENDENT AUDITORS' REPORT

To the Members of BF Investment Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the Standalone Financial Statements of BF Investment Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and other comprehensive income, its 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 ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 together with the ethical requirements that are relevant to our audit of the Standalone 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 we have obtained 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 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.

#### a. Valuation of investments

At the balance sheet date, the value of investments amounted to Rs.17,424.59 million representing 88.95% of the total assets. Investments have been considered as key audit matter due to the size of the balance, various recognition principles, subsequent measurement principles and disclosure requirements. Refer note 1A(m) to the Standalone Financial Statements for its accounting policy.

### Principle Audit Procedures

- i. We have understood and evaluated the process of the Management to identify impairment indicators (if any) for the company's investments.
- ii. For quoted investments, we have independently verified the fair values.
- iii. We have evaluated the fair value of unquoted investments adopted by the Management and assessed the parameters of the fair valuation reports obtained by the Management from external experts.
- iv. On a test check basis, we have verified appropriate evidence with regard to assertions of existence and rights to the investments.
- v. We have verified principles for recognition, subsequent measurement and disclosures as specified in the accounting policy adopted by the company based on the Ind Accounting Standards.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis; Board of Directors' Report along with its Annexures and Corporate Governance Report included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone 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 Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 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, the 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone 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 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 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 Company has adequate internal financial controls with reference to the 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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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.

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 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.

### 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 paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow 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 Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to the Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B.
  - g) As required by section 197 (16) of the Act; in our opinion and according to information and explanation provided to us, the remuneration paid by the Company to its directors is in accordance with the provisions of section 197 of the Act and remuneration paid to directors is not in excess of the limit laid down under this section.
  - 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 ñ Refer Note 44;
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.
    - (iv) (a) The Management has represented to us that, to the best of its knowledge and belief, no funds 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 entities ("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

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Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented to us, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the Management and as mentioned under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.
- (v) The Company has not declared or paid dividend during the year.
- (vi) The requirement to the use of accounting software for maintaining Company's books of account which has a feature of recording audit trail (edit log) facility is deferred to financial years commencing on or after April 1, 2023, therefore reporting under Rule 11(g) of Companies (Audit & Auditors) Rules, 2014 is not applicable for financial year ended on March 31, 2022.

For P.G. BHAGWAT LLP  
Chartered Accountants  
FRN : 101118W / W100682

Abhijeet Bhagwat  
Partner  
Membership No. 136835  
UDIN: 22136835AKRIAT4392

Pune : May 30, 2022

## "ANNEXURE A" TO AUDITORS' REPORT

### Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
(B) The Company does not have any intangible assets.
- (b) According to the information and explanations provided to us, the property, plant and equipment of the Company are being physically verified by the Management, every year. In our opinion, the frequency of verification is reasonable. The property, plant and equipment have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties are held in the name of the Company except as specified in note 8 (a) to the Standalone Financial Statements.
- (d) According to the information and explanations provided to us, the Company has not revalued its property, plant and equipment during the year.
- (e) According to the information and explanations provided to us, there are no proceedings that have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) The Company is a Core Investment Company (CIC) and therefore does not have any physical inventory. Accordingly, reporting on clause (ii) (a) of the Order is not applicable.  
(b) According to the information and explanations provided to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting on clause (ii) b of the Order is not applicable.
- (iii) According to the information and explanations provided to us, the Company has not provided any guarantee or security 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. Accordingly, reporting on clause 3 (iii) (a), (b), and (f) of the Order is not applicable.  
(c) According to the information and explanation provided to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal has not been stipulated. Therefore, we cannot comment on the regularity of the repayments of these loans. All the loans are non-interest bearing.  
(d) According to the information and explanation provided to us, no repayment schedule is stipulated and further no interest is being charged on any loans. Therefore, no amount is overdue.  
(e) According to the information and explanation provided to us, no loan or advance in the nature of loan granted has fallen due during the year. Accordingly, reporting on clause 3 (vi) (e) of the Order is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees, and securities provided, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules made thereunder or amounts which are deemed to be deposits. Accordingly, reporting on clause 3 (v) of the Order is not applicable.
- (vi) According to information and explanation provided to us, being an investment Company, maintenance of cost records under sub-section (l) of section 148 of the Act is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues referred in sub clause (a) above were in arrears as at March 31, 2022, for a period of more than six months from the date they became payable.

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- (b) According to the information and explanation provided to us, there are no statutory dues referred to in clause (vii) (a) which have not been deposited because of any dispute.
- (viii) According to the information and explanations given to us and records examined by us, there are no transactions which were not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not taken any loans or borrowings from any lender. Accordingly, reporting on clause 3 (ix) (c), (e) and (f) of the Order is not applicable.
- (b) According to the information and explanations given to us, our audit procedures and as represented to us by the Management, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (d) On an overall examination of the Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting on clause 3 (x) (a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting on clause 3 (x) (b) of the Order are not applicable.
- (xi) (a) Based upon the audit procedures performed by us and according to the information and explanation provided to us by the Management, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) According to information and explanation provided to us and based on our examination of records, 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 up to the date of this report.
- (c) According to information and explanation provided to us and based on our audit procedures and enquiry with the vigil mechanism committee, there were no whistle-blower complaints received by the Company during the year and up to the date of this report.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, clause 3 (xii) (a), (b) & (c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of transactions have been disclosed in the Financial Statements as required by Ind AS 24 'Related Party Disclosures'. Refer note 30 to the Standalone Financial Statements.
- (xiv) (a) According to the information and explanations given to us and in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have taken into consideration the reports made available to us by the Management of the Internal Auditors for the period under audit.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with them during the year. Accordingly, reporting on clause 3 (xv) of the Order is not applicable.
- (xvi) (a) According to the information and explanations given to us and in our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India, 1934.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is a Core Investment Company (CIC) and does not conduct any Non-Banking Financial or Housing Finance activities.
- (c) According to the information and explanations given to us and in our opinion, the Company is a Core Investment Company (CIC) as per RBI Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016, and continues to fulfil the criteria of a CIC. According to the information and explanations given to us, the Company is an unregistered CIC and, in our opinion, it continues to fulfil such criteria.



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(d) According to the information and explanations given to us, there are two Core Investment Company within the Group.

(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting on 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 realization of financial assets and payment of financial liabilities, other information accompanying the 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) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) According to the information and explanations given to us, there is no amount remaining unspent towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, pursuant to any ongoing project. Accordingly, reporting on clause 3 (xx) (b) is not applicable.

**For P.G. BHAGWAT LLP**  
Chartered Accountants  
FRN : 101118W / W100682

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835  
UDIN: 22136835AKRIAT4392

Pune : May 30, 2022

## "ANNEXURE B" TO AUDITORS' REPORT

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### **Annexure B to the Independent Auditors' Report**

Referred to in paragraph 2 (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

#### **Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to the Standalone Financial Statements of BF Investment Limited ("the Company") as of March 31, 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 controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements 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, 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 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 with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone 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 with reference to the Standalone Financial Statements.

#### **Meaning of Internal Financial controls with reference to the Standalone Financial Statements**

A company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Standalone Financial Statements 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations 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 Standalone Financial Statements.

#### **Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper Management override of controls, material misstatements due to

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error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements 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, adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as at March 31, 2022, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P.G. BHAGWAT LLP**  
Chartered Accountants  
FRN : 101118W / W100682

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835  
UDIN: 22136835AKRIAT4392

Pune : May 30, 2022

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# **Financial Statements**

## Standalone Balance Sheet as at 31<sup>st</sup> March, 2022

(₹ in Mln.s)

	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
(a) Cash and cash equivalents	Note 3a	11.47	223.52
(b) Bank Balances other (a) above	Note 3b	1,385.25	807.65
(c) Loans	Note 4	224.10	224.71
(d) Investments	Note 5	17,424.59	13,812.06
(e) Other financial assets	Note 6	273.20	272.25
		<u>19,318.61</u>	<u>15,340.19</u>
<b>2 Non-financial Assets</b>			
(a) Income Tax Assets (net)		-	-
(b) Deferred Tax Asset (net)	Note 7	112.21	68.15
(c) Investment Property	Note 8	130.05	130.17
(d) Property, Plant and Equipment	Note 9	28.99	18.84
(e) Right to use asset	Note 10	-	-
(f) Other non-financial assets	Note 11	0.12	0.04
		<u>271.37</u>	<u>217.20</u>
<b>Total Assets</b>		<u><b>19,589.98</b></u>	<u><b>15,557.39</b></u>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial Liabilities</b>			
(a) Trade payables	Note 12		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		-	0.02
(b) Other financial liabilities	Note 13	14.37	7.80
		<u>14.37</u>	<u>7.82</u>
<b>2 Non-Financial Liabilities</b>			
(a) Income tax liabilities	Note 14	3.76	0.87
(b) Other non-financial liabilities	Note 15	1.11	0.17
		<u>4.87</u>	<u>1.04</u>
<b>3 EQUITY</b>			
(a) Share capital	Note 16	188.34	188.34
(b) Other equity	Note 17	19,382.40	15,360.19
		<u>19,570.74</u>	<u>15,548.53</u>
<b>Total Liabilities and Equity</b>		<u><b>19,589.98</b></u>	<u><b>15,557.39</b></u>
Significant accounting policies	1		
Significant accounting judgements, estimates and assumptions	2		
The notes 1 to 43 form an integral part of these Standalone financial statements			

As per my attached report of even date,

For P. G. BHAGWAT LLP  
(FRN No. 101118W/ W100682)  
Chartered Accountants

Abhijeet Bhagwat  
Partner  
Membership No.136835

Place : Pune  
Date : 30<sup>th</sup> May, 2022

On behalf of the Board of Directors,

B.S. Mitkari  
Director  
DIN: 03632549

J. G. Patwardhan  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : 30<sup>th</sup> May, 2022

B. B. Hattarki  
Director  
DIN : 00145710

S. R. Kshirsagar  
Company Secretary

## Standalone Statement of Profit and Loss for the Year Ended 31<sup>st</sup> March, 2022

(₹ in Mln.s)

	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
<b>1 Revenue from Operations</b>			
(i) Interest Income	Note 18	67.30	48.44
(ii) Dividend Income	Note 19	435.55	175.85
(iii) Net gain on fair value changes	Note 20	23.06	92.99
<b>Total Revenue from Operations</b>		<u>525.91</u>	<u>317.28</u>
<b>2 Other Income</b>	Note 21	<u>0.02</u>	<u>4.99</u>
<b>Total Income (1+2)</b>		<u>525.93</u>	<u>322.27</u>
<b>3 Expenses</b>			
(a) Employee benefits expense	Note 22	6.06	4.96
(b) Finance costs	Note 23	-	0.05
(c) Depreciation	Note 24	6.34	7.06
(d) Other expenses	Note 25	37.00	53.23
<b>Total expenses</b>		<u>49.40</u>	<u>65.30</u>
<b>4 Profit / (Loss) before exceptional items and tax</b>		<u>476.53</u>	<u>256.97</u>
<b>5 Exceptional items</b>		-	-
<b>6 Profit / (Loss) before tax</b>		<u>476.53</u>	<u>256.97</u>
<b>7 Tax expense</b>	Note 26		
Current tax		120.00	50.44
Tax in respect of earlier years		-	0.02
Deferred tax expense		(5.05)	22.97
<b>Total Tax expense</b>		<u>114.95</u>	<u>73.43</u>
<b>8 Profit/(Loss) for the period</b>		<u>361.58</u>	<u>183.54</u>
<b>9 Other comprehensive income, net of income tax</b>			
A. Items that will not be reclassified to profit or loss			
(a) Changes in fair value of FVOCI equity investment		3,621.63	5,946.60
Tax thereon		(39.01)	(23.55)
<b>Total other comprehensive income for the year</b>		<u>3,660.65</u>	<u>5,970.15</u>
<b>10 Total comprehensive income for the period</b>		<u>4,022.23</u>	<u>6,153.69</u>
<b>11 Earnings per share (of Rs. 5/- each) :</b>	Note 27	9.60	4.87
Basic & Diluted			
<b>Significant accounting policies</b>	1		
<b>Significant accounting judgements, estimates and assumptions</b>	2		
The notes 1 to 43 form an integral part of these Standalone financial statements			

As per my attached report of even date,

For P. G. BHAGWAT LLP  
(FRN No. 101118W/ W100682)  
Chartered Accountants

Abhijeet Bhagwat  
Partner  
Membership No.136835

Place : Pune  
Date : 30<sup>th</sup> May, 2022

On behalf of the Board of Directors,

B.S. Mitkari  
Director  
DIN: 03632549

J. G. Patwardhan  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : 30<sup>th</sup> May, 2022

B. B. Hattarki  
Director  
DIN : 00145710

S. R. Kshirsagar  
Company Secretary

## Standalone Cash Flow Statement for the Year Ended 31<sup>st</sup> March, 2022

(₹ in Mln.s)

	Year ended March 31, 2022	Year ended March 31, 2021
<b>A) Cash flows from operating activities</b>		
Profit before income tax but after exceptional items	476.53	256.97
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	6.34	7.06
Interest - other	-	0.04
Net gain on fair value changes	(23.06)	(92.99)
Provision for doubtful dividend written back	-	(4.27)
Rent related to Ind AS 116	-	(1.96)
Adjustments for changes in working capital		
(Increase) / Decrease in loans	32.74	6.10
Increase / (Decrease) in trade payables	(0.02)	(0.32)
Increase / (Decrease) in other financial liabilities	6.57	(11.00)
(Increase) / Decrease in other financial assets	(0.94)	(19.18)
(Increase) / Decrease in other non financial assets	(0.07)	3.00
Increase / (Decrease) in other non financial liabilities	0.94	(0.28)
Cash generated from operations	499.03	143.17
Income taxes paid (net of refunds)	(117.11)	(51.67)
<b>Net Cash from Operating activities</b>	<b>381.92</b>	<b>91.50</b>
<b>B) Cash flows from investing activities</b>		
(Purchase) / Sale of shares	-	93.00
Term deposits in bank	(577.60)	(102.55)
(Purchase) / Sale of asset	(16.37)	(18.55)
<b>Net cash flows from investing activities</b>	<b>(593.97)</b>	<b>(28.10)</b>
<b>C) Cash flows from financing activities</b>		
Net cash flows from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	(212.05)	63.40
Cash and cash equivalents at the beginning of the year (refer note 3a)	223.52	160.12
<b>Cash and cash equivalents at the end of the year (refer note 3a)</b>	<b>11.47</b>	<b>223.52</b>
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.		
Significant accounting policies	1	
Significant accounting judgements, estimates and assumptions	2	
The notes 1 to 43 form an integral part of these Standalone financial statements		

As per my attached report of even date,

For P. G. BHAGWAT LLP  
(FRN No. 101118W/ W100682)  
Chartered Accountants

Abhijeet Bhagwat  
Partner  
Membership No.136835

Place : Pune  
Date : 30<sup>th</sup> May, 2022

On behalf of the Board of Directors,

B.S. Mitkari  
Director  
DIN: 03632549

J. G. Patwardhan  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : 30<sup>th</sup> May, 2022

B. B. Hattarki  
Director  
DIN : 00145710

S. R. Kshirsagar  
Company Secretary

## Standalone Statement of Changes in Equity (SOCIE) for the period ended 31<sup>st</sup> March, 2022

### A. Equity Share Capital

(₹ in Mln.s)

Notes	No. of shares	Amount
As at March 31, 2020	37,667,628	1,88.34
Changes in equity share capital	-	-
As at March 31, 2021	37,667,628	1,88.34
Changes in equity share capital	-	-
As at March 31, 2022	37,667,628	1,88.34

### B. Other Equity

(₹ in Mln.s)

Notes	Reserves and Surplus					Other reserve	Total
	Retained Earnings	General reserve	Reserve Fund	Capital Redemption reserve	Capital Reserve	FVOCI equity investment reserve	
As at March 31, 2020	3,784.82	0.87	1,188.00	0.00	2,367.52	1,865.29	9,206.50
Profit for the year	183.54	-	-	-	-	-	183.54
Other Comprehensive Income :							
Changes in fair value of FVOCI equity investments (net of tax)	-	-	-	-	-	5,970.15	5,970.15
Total Comprehensive Income for the year	183.54	-	-	-	-	5,970.15	6,153.69
Transferred to Statutory reserve fund during the year	(36.71)	-	36.71	-	-	-	-
As at March 31, 2021	3,931.65	0.87	1,224.71	0.00	2,367.52	7,835.44	15,360.19
Profit for the year	361.58	-	-	-	-	-	361.58
Other Comprehensive Income :							
Changes in fair value of FVOCI equity investments (net of tax)	-	-	-	-	-	3,660.65	3,660.65
Total Comprehensive Income for the year	361.58	-	-	-	-	3,660.65	4,022.22
Transferred to Statutory reserve fund during the year	(72.32)	-	72.32	-	-	-	-
As at March 31, 2022	4,220.91	0.87	1,297.02	0.00	2,367.52	11,496.08	19,382.40
Significant accounting policies	1						
Significant accounting judgements, estimates and assumptions	2						
The notes 1 to 43 form an integral part of these Standalone financial statements							

As per my attached report of even date,

On behalf of the Board of Directors,

For P. G. BHAGWAT LLP  
(FRN No. 101118W/ W100682)  
Chartered Accountants

Abhijeet Bhagwat  
Partner  
Membership No.136835

Place : Pune  
Date : 30<sup>th</sup> May, 2022

B.S. Mitkari  
Director  
DIN: 03632549

J. G. Patwardhan  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : 30<sup>th</sup> May, 2022

B. B. Hattarki  
Director  
DIN : 00145710

S. R. Kshirsagar  
Company Secretary



(All amounts are in Rupees Millions, except per share data and unless stated otherwise)

**1. Background:**

BF Investment Company Limited ("the Company") is a public limited company domiciled in India and incorporated in May, 2009 under the provisions of Companies Act, 1956. The equity shares of the Company are listed on two recognized stock exchanges in India i.e. the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is primarily engaged in the business of making investments in group companies. The registered office of the Company is located at, Mundhwa Pune Cantonment, Pune-411036. The CIN of the Company is L65993PN2009PLC134021.

These separate financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on May 30, 2022.

**1A. Significant Accounting Policies:**

This note provides a list of the significant accounting policies adopted in the preparation of these separate financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of preparation**

**(i) Compliance with Ind AS**

These separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies ( Indian Accounting Standards ) Rules, 2015 as amended thereafter. For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ( Indian GAAP).

**(ii) Historical cost convention**

The separate financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value

**(iii) Current versus non-current classification**

The company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when,

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

**(b) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources

and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions for the company. Refer note 34 for segment information presented.

**(c) Foreign currency translation**

**Functional and presentation currency**

Items included in the separate financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The separate financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

**Initial Recognition**

Foreign currency transactions are recorded in Indian currency, by applying the exchange rate between the Indian currency and the foreign currency at the date of transaction.

**Conversion**

Monetary items, designated in foreign currencies are revalued at the rate prevailing on the date of Balance Sheet.

**Exchange Differences**

Exchange differences arising on the settlement and conversion of foreign currency transactions are recognized as income or as expenses in the year in which they arise, except in cases where they relate to the acquisition of qualifying assets, in which cases they were adjusted in the cost of the corresponding asset.

**(d) Interest Income**

Interest income is accrued over the period of the loan / investment.

**(e) Dividends**

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

**(f) Taxes**

**Current tax**

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961. - The management periodically evaluates positions taken in returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

**Deferred Tax**

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**(g) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

**(h) Investment in associates and jointly controlled companies :**

Investment in associates and jointly controlled companies are accounted at cost less accumulated impairment.

**(i) Fair value measurement :**

The Company measures financial instruments at fair value on initial recognition.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the separate financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level inputs that is significant to the fair value measurement as a whole:

- Level 1 - Quoted ( unadjusted ) market prices in active markets for identical assets and liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is un-observable

For assets and liabilities that are recognized in the separate financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**(j) 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 equity.

**(k) Financial assets**

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income ( FVTOCI )
- Financial assets at fair value through profit or loss ( FVTPL )

**Financial assets at amortized cost:**

A financial asset is measured at amortized cost if both following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

**Financial assets at fair value through other comprehensive income**

A financial asset is measured at fair value through other comprehensive income if both of the following criteria are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are derecognized or reclassified, are subsequently measured at fair value and recognized in other comprehensive income except for interest income, gain / loss on impairment, gain / loss on foreign exchange which is recognized in the statement of profit and loss.

**Financial assets at fair value through profit or loss**

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

After initial measurement, such financial assets are subsequently measured at fair value in the statement of profit and loss.

#### De-recognition of financial assets

A financial asset is de-recognized when:

- the contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and either
  - (a) the Company has transferred substantially all the risks and rewards of the asset or
  - (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g. loans, debt-securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss. This amount is reflected under the head "Other Expenses" in the statement of profit and loss.

The Balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-offs criteria, the Company does not de-recognize impairment allowance from the gross carrying amount.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase / origination.

#### (I) De-recognition of financial liabilities

A financial liability (or a part of a financial liability) is de-recognized from its balance sheet when, and only when, it is extinguished i.e., when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

**(m) Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

**(n) Investment Property**

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 initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized

Investment property are depreciated using straight line method over their estimated useful lives.

**Transition to Ind AS**

On transition to Ind AS, the group has elected to continue with the carrying value of all of its investment properties recognized as at 1 April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

**(o) Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowings costs for long term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection/relining is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss during the reporting period in which they are incurred.

Subsequent costs are included in the asset's carrying amount as recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for a separate asset is derecognized when replaced.

The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation on additions is provided from the beginning of the month in which the asset is put to use.

Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata basis up to the end of the month prior to the month in which such assets are sold, discarded or demolished.

The useful lives have been determined based on those specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

Depreciation is charged on the basis of useful life of assets on straight line method for furniture & fixtures & on WDV method for car.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the separate statement of profit and loss when the asset is derecognized.

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year.

### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

### (p) Leases

The determination of whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. The 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

At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability. A lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The Company uses the practical expedient to apply the requirements of Ind AS 116 to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However, when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty the Company considers that lease to be no longer enforceable. Also according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, the lessee is not required to recognize right-of-use asset and a lease liability. The Company applies both recognition exemptions.

#### Right of use asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments.

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

#### Lease liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

#### Lease modification

For a lease modification that is not accounted for as a separate lease, the company accounts for the re-measurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

#### ● Company as Lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. However, if there is no reasonable certainty that the company will obtain possession of the asset upon end of the lease term, the asset

is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. 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.

**(q) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses including impairment on inventories are recognized in the statement of profit and loss.

Previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of asset does not exceed its recoverable amount. Such reversal is recognized in statement of profit and loss.

**(r) Trade and other payables**

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

**(s) Provisions and contingent liabilities**

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A disclosure for a contingent liability is made where there is a possible obligation arising out of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of a past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(t) Paid-up equity**

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.



**(u) Dividends**

The Company recognizes a liability to make cash or non-cash distributions to equity holders of the Company when distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

**(v) Earnings per share**

**(i) Basic Earnings per Share**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

**(ii) Diluted Earnings per Share**

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**(w) Rounding of amounts:**

All amounts disclosed in these separate financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

**1B. Standards issued but not yet effective]**

The Ministry of Corporate Affairs (MCA) on 5 April 2022, vide Notification dated 23 March 2022 has issued Companies (Indian Accounting Standard) Amendment Rules, 2022 in consultation with the National Financial Reporting Authority (NFRA).

The notification states that these rules shall be applicable from 1 April 2022 and would thus be applicable for the financial year ending 31 March 2023.

The amendments to Ind Ass are intended to keep the Ind Ass aligned with the amendments made in IFRS.

**1. Amendments to Ind AS 16, "Property, Plant and Equipment"**

The amendments to Ind AS 16 issued by the Ministry of Corporate Affairs amends provisions regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

**2. Amendments to Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets"**

The amendments to Ind AS 37 issued by the Ministry of Corporate Affairs amends provisions regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

**3. Amendments to 41, "Agriculture"**

The amendments to Ind AS 41 issued by the Ministry of Corporate Affairs amends provisions to remove a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in Ind AS 41 with those in other Ind AS's.

**4. Amendments to 101, "First-time Adoption of Indian Accounting Standards"**

The amendments to Ind AS 101 issued by the Ministry of Corporate Affairs amends provisions to simplify the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

**5. Ind AS 103, "Business Combination"**

The amendments to Ind AS 103 issued by the Ministry of Corporate Affairs amends provisions to:

- substitute the word 'Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework)' with the words 'Conceptual Framework of Financial Reporting in Ind AS'.
- add to Ind AS 103 a requirement that, for transactions and other events within the scope of Ind AS 37, an acquirer applies Ind AS 37 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination

- add to Ind AS 103 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

#### 6. Ind AS 109, "Financial Instruments"

The amendments to Ind AS 109 issued by the Ministry of Corporate Affairs amends provisions to prescribe the treatment of fees involved during exchange between an existing borrower and lender of debt instruments with substantially different terms. The amendment clarifies that if an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Following exposure drafts have been issued by the Institute of Chartered Accountants of India:

#### 1. Amendments to Ind AS 8, "Accounting Policies, Changes in Accounting Estimates and Errors" - Definition of Accounting Estimates

The exposure draft on amendments to Ind AS 8 issued by the Institute of Chartered Accountants of India proposes amendments to introduces a new definition of 'accounting estimates'. The amendments are designed to clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors.

#### 2. Amendments to Ind AS 12, "Income Taxes" - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The exposure draft on amendments to Ind AS 12 issued by the Institute of Chartered Accountants of India proposes amendments to introduce an exception to the initial recognition exemption in Ind AS 12 whereby an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. The amendments would apply to transactions that occur on or after the beginning of the earliest comparative period presented.

#### 3. Amendments to:

Ind AS 1, "Presentation of Financial Statements", Ind AS 34, "Interim Financial Reporting" and Ind AS 107, "Financial Instruments: Disclosures" - Disclosures of Accounting Policies

The exposure draft on amendments to Ind AS 1 issued by the Institute of Chartered Accountants of India proposes amendments whereby an entity will be required to disclose only its material accounting policy information instead of its significant accounting policies. The amendment explain how an entity can identify material accounting policy information. Consequential amendments are proposed for Ind AS 107, Financial Instruments: Disclosures, and Ind AS 34, Interim Financial Reporting.

#### 4. New Indian Accounting Standard (Ind AS) 117, Insurance Contracts

The exposure draft of Ind AS 117 is issued by the Institute of Chartered Accountants of India as replacement for Ind AS 104 Insurance Contracts. Further, amendments have also been proposed to the exposure draft to add a transition option relating to comparative information about financial assets presented on initial application of Ind AS 117

The above exposure drafts have not been notified by the Ministry of Corporate Affairs ('MCA') to be applicable from 1 April, 2022 as at the date of approval of these financial statements. On issue of the amendment by MCA, the Company would evaluate the impact of the change in the standalone financial statements.

## 2. Significant accounting judgements, estimates and assumptions

The preparation of the Company's separate financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgments or complexities and of 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 judgments, estimates and assumptions is mentioned below.

Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on

parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**1. Fair value measurement of unquoted financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 31 for further disclosures.

**2. Deferred Tax**

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax asset could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

(₹ in Mln.s)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Note 3a: Cash and Cash Equivalents</b>		
Balances with Banks		
In current accounts	2.47	3.02
Term deposits with original maturity of less than three months	9.00	220.50
Cash in Hand	0.00	0.00
<b>Total</b>	<b>11.47</b>	<b>223.52</b>

**Note 3b : Bank Balances other (a) above**

Term Deposits with Banks with original maturity of more than 3 months but less than 12 months	1,385.25	807.65
<b>Total</b>	<b>1,385.25</b>	<b>807.65</b>

The Company has not traded or invested in crypto currency or virtual currency during the year.

**Note 4: Loans**

	As at March 31, 2022			As at March 31, 2021		
	Amortised cost	Fair value through profit or loss	Total	Amortised cost	Fair value through profit or loss	Total
<b>(A) Loans</b>						
(i) Intercorporate deposit	86.93	224.10	311.03	109.43	202.21	311.64
Total (A) - Gross	86.93	224.10	311.03	109.43	202.21	311.64
Less: impairment loss allowance	(86.93)	-	(86.93)	(86.93)	-	(86.93)
Total (A) - Net	-	224.10	224.10	22.50	202.21	224.71
<b>(B)</b>						
(i) Unsecured	86.93	224.10	311.03	109.43	202.21	311.64
Total (B) - Gross	86.93	224.10	311.03	109.43	202.21	311.64
Less: impairment loss allowance	(86.93)	-	(86.93)	(86.93)	-	(86.93)
Total (B) - Net	-	224.10	224.10	22.50	202.21	224.71
<b>(C) Loans in India</b>						
	86.93	224.10	311.03	109.43	202.21	311.64
Total (C) - Gross	86.93	224.10	311.03	109.43	202.21	311.64
Less: impairment loss allowance	(86.93)	-	(86.93)	(86.93)	-	(86.93)
Total (C) - Net	-	224.10	224.10	22.50	202.21	224.71
Good			224.10			224.71
Doubtful			86.93			86.93

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

**Disclosures required under section 186 (4) of the Companies Act, 2013**

Name of the loanee	Purpose	Rate of Interest p.a.	Term of Repayment	As at March 31, 2022	As on March 31, 2021
Nandi Economic Corridor Enterprises Limited	Business Operations	Non interest bearing	Without repayment terms	1,160.52	1,160.52
Nandi Infrastructure Corridor Enterprise Ltd	Business Operations	Non interest bearing	Without repayment terms	30.00	30.00
BF Utilities Limited	Business Operations	Non interest bearing	Without repayment terms	184.00	194.27

Details of loans or advances in the nature of loans are granted to promoters, directors KMPs and the related parties that are repayable on demand or without any terms or period of repayment:

Type of Borrower	As at March 31, 2022		As on March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans & Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans & Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMP's	-	-	-	-
Related Parties	224.10	100%	224.71	100%

**Note 5: Investments**

Investments	As on March 31, 2022				As on March 31, 2021			
	Quantity in numbers	If Quoted	At Cost	At fair value	Through other comprehensive income	At Cost	At fair value	Through profit or loss
			Total	Total		Total	Total	
<b>Equity shares:</b>								
Equity Shares of ₹ 2/- each fully paid in Bharat Forge Ltd.	15,614,676	Quoted	-	10,939.64	-	9,305.57	-	9,305.57
Equity Shares of ₹ 5/- each fully paid in BF Utilities Ltd.	1,187,903	Quoted	-	366.29	-	292.22	-	292.22
Equity Shares of ₹ 2/- each fully paid in Hikal Ltd.	3,273,375	Quoted	-	1,316.88	-	469.89	-	469.89
Equity Shares of ₹ 10/- each fully paid in Kalyani Forge Ltd.	569,600	Quoted	-	99.08	-	109.93	-	109.93
Equity Shares of ₹ 10/- each fully paid in Saarloha Advanced Materials Pvt. Ltd. (previously known as Kalyani Carpenter Special Steels Pvt. Ltd.)	500		-	0.01	-	0.01	-	0.01
Equity Shares of ₹ 10/- each fully paid in Khed Economic Infrastructure Pvt. Ltd.	71,362,260		-	1,534.29	-	1,096.12	-	1,096.12
Equity Shares of ₹ 10/- each fully paid in Kalyani Maxion Wheels Ltd.	2,399,998		-	465.82	-	437.14	-	437.14
<b>Total Equity Shares</b>			-	14,722.01	-	11,710.89	-	11,710.89
<b>Equity Shares in Associates</b>								
Equity Shares of ₹ 5/- each, fully paid in Kalyani Steels Ltd.	17,052,421	Quoted	309.57	-	-	309.57	-	309.57
Equity Shares of ₹ 10/- each fully paid in KSL Holdings Pvt. Ltd.	32,999,000		329.99	-	-	329.99	-	329.99
Equity Shares of ₹ 10/- each fully paid in Truimphant Special Alloys Pvt. Ltd. (previously known as Carpenter Kalyani Special Alloys Pvt. Ltd.)	3,195,397		4.76	-	-	4.76	-	4.76
Equity Shares of ₹ 10/- each fully paid in Kalyani Financial Services Ltd.	2,940,000		47.88	-	-	47.88	-	47.88
Equity Shares of ₹ 10/- each fully paid in Nandi Engineering Ltd.	25,000		0.25	-	-	0.25	-	0.25
Equity Shares of ₹ 10/- each fully paid in Synise Technologies Ltd.	1,131,793		55.85	-	-	55.85	-	55.85
<b>Total Equity shares in associates</b>			748.31	-	-	748.31	-	748.31
<b>Equity Shares in Joint Venture</b>								
Equity Shares of ₹ 10/- each fully paid in Automotive Axles Ltd.	5,367,803	Quoted	260.69	-	-	260.69	-	260.69
Equity Shares of ₹ 10/- each fully paid in Meritor HVS India Ltd.	1,190,694		11.91	-	-	11.91	-	11.91
<b>Total Equity shares in joint ventures</b>			272.59	-	-	272.59	-	272.59
<b>Preference shares:</b>								
7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited. <sup>(b)</sup>	36,042,440		-	355.93	-	-	369.90	369.90
<b>Preference shares in Associate</b>								
9% Cumulative Redeemable Non Convertible Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Pvt. Ltd. <sup>(a)</sup>	4,000,000		-	528.10	-	-	528.46	528.46
1% Non Cumulative Compulsorily Convertible Preference Shares of ₹ 10/- each, fully paid in Kalyani Financial services Ltd. <sup>(c)</sup>	6,860,000		-	57.42	-	-	52.20	52.20
<b>Total Preference Shares in Associates:</b>			1,020.90	14,722.01	941.46	16,684.37	950.56	13,682.35

Carried over

## Note 5: Investments (Contd.)

Investments	As on March 31, 2021				As on March 31, 2020						
	Quantity in numbers	If Quoted	At fair value		Total	At Cost	Through		Total		
			At cost	Through other compre- hensive income			Through other compre- hensive income	Through profit or loss			
				1,020.90	14,722.01	941.46	16,684.37	1,020.90	11,710.89	950.56	13,682.35
			Brought over }	-	-	-	-	-	-	-	-
Debtures in Associate:				-	796.32	-	796.32	-	185.81	-	185.81
0% Fully Convertible Debentures of ₹ 100/- each fully paid of Kalyani Financial Services Ltd.	6,636,000			-	796.32	-	796.32	-	185.81	-	185.81
Total Debentures:				1,020.90	15,518.33	941.46	17,480.69	1,020.90	11,896.70	950.56	13,868.16
Total - Gross (A)				-	-	-	-	-	-	-	-
(i) investments outside India				1,020.90	15,518.33	941.46	17,480.69	1,020.90	11,896.70	950.56	13,868.16
(ii) investments in India				(56.10)	-	-	(56.10)	(56.10)	-	-	(56.10)
Less: Allowance for impairment loss				964.80	15,518.33	941.46	17,424.59	964.80	11,896.70	950.56	13,812.06
Total Investments											
Quoted shares valued at Fair Value through OCI							12,721.89				10,177.62
Quoted Shares valued at cost, being Associate / Joint Venture							570.26				570.26

a) 40,000,000 9% Cumulative Redeemable Non Convertible Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Pvt. Ltd. are redeemable at par on or before 25<sup>th</sup> October, 2036.

b) 21,042,440 7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 21st December, 2024. 3,000,000 7% Cumulative Optionally Convertible Non Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 5th September, 2025. 12,000,000 7% Cumulative Optionally Convertible Non Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 26th September, 2026.

c) Of the 6,636,000 0% Fully Convertible Debentures (FCDs) of ₹ 100/- each, fully paid of Kalyani Financial Services Limited, - 4,980,346 FCDs are compulsorily convertible into such number of fully paid up Equity Shares of ₹ 10/- each, at such a price as shall be fixed by the said Company on or before 27th September, 2022. 398,801 FCDs are compulsorily convertible into Equity Shares of ₹ 10/- each, fully paid up at a premium of ₹ 20/- per share on or before 30th March, 2024 and 1,256,853 FCDs are compulsorily convertible into Equity Shares of ₹ 10/- each, fully paid up at a premium of ₹ 20/- per share on or before 31st March, 2024.

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	As at March 31, 2022	As at March 31, 2021
<b>Note 6: Other financial assets</b>		
Interest and dividend receivable	8.34	7.19
Provision for doubtful dividend and interest receivable	(1.45)	(1.45)
<b>Net Interest receivable</b>	<b>6.89</b>	<b>5.74</b>
Security deposits	266.31	266.51
<b>Total</b>	<b>273.20</b>	<b>272.25</b>
<b>Note 7 : Deferred Tax Asset/liabilities (net)</b>		
Deferred tax asset/ (liabilities)	112.21	68.15
<b>Total</b>	<b>112.21</b>	<b>68.15</b>
<b>Changes in Deferred Tax Assets/ Liabilities in Profit and Loss [charged / (credited) during the year]</b>		
<b>Deferred tax liabilities</b>		
On account of temporary difference	-	-
<b>Deferred tax assets</b>		
On account of temporary difference		
Depreciation and amortisation	0.12	(0.52)
Deferred tax asset on fair valuation of investments and loans	(5.17)	23.49
<b>Total</b>	<b>(5.05)</b>	<b>22.97</b>
<b>Changes in Deferred Tax Assets/ Liabilities in Other Comprehensive income [charged / (credited) during the year]</b>		
Deferred tax on fair valuation of investments	(39.01)	(23.55)
<b>Total</b>	<b>(39.01)</b>	<b>(23.55)</b>



Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

(₹ in Mln.s)

Particulars	Freehold land	Buildings	Total
<b>Note 8: Investment property</b>			
Gross block as at March 31, 2020	125.85	7.66	133.51
Additions	-	-	-
Adjustments	-	-	-
Gross block as at March 31, 2021	125.85	7.66	133.51
Additions	-	-	-
Adjustments	-	-	-
Gross block as at March 31, 2022	125.85	7.66	133.51
Closing accumulated depreciation as at March 31, 2020	-	3.20	3.20
Depreciation charge	-	0.13	0.13
Closing accumulated depreciation as at March 31, 2021	-	3.33	3.33
Depreciation charge	-	0.13	0.13
Closing accumulated depreciation as at March 31, 2022	-	3.46	3.46
Net carrying amount as at March 31, 2022	125.85	4.20	130.05
Net carrying amount as at March 31, 2021	125.85	4.33	130.17

Amount recognised in profit and loss for investment properties

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation	0.13	0.13
<b>Total</b>	<b>0.13</b>	<b>0.13</b>

Fair Value of investment properties

Particulars	Freehold land	Buildings
As on March 31, 2022	865.80	12.11
As on March 31, 2021	865.80	18.00

Fair Valuation for Free hold land treated as Investment property is based on valuation by registered valuer as defined under rule 2 of companies (Registered valuer and valuation) Rule 2017 . The main input used for valuation derived as on 31st March 2022 is current price in active market for similar properties and if not available then ready reckon rate. Fair valuation of building treated as Investment property is determined by the Company based on market rate available on online portal. All resulting fair value estimates for investment properties are included in Level 2.

The Title deeds of Immovable Properties are held in the name of the Company except following building.

Line item of Balance sheet	Description of item of Property	Gross carrying value (Rs. In Mln)	Title deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment Property	Building	7.66	BF Investment Ltd.	No	1st April 2009	Refer Note below

Note : Updation of Company's name in the revenue / land records of Govt. of Delhi is pending

**Note 9: Property, plant and equipment**

(₹ in Mln.s)

Particulars	Computer	Vehicles	Furniture and Fixtures	Total
Gross block as at March 31, 2020	-	-	10.91	10.91
Additions	-	18.55	-	18.55
Disposals / Adjustments	-	-	-	-
Gross Block as at March 31, 2021	-	18.55	10.91	29.46
Additions	0.06	-	16.30	16.37
Transfers	-	-	-	-
Disposals / Adjustments	-	-	-	-
Gross Block as at March 31, 2022	0.06	18.55	27.21	45.82
<b>Accumulated Depreciation :</b>				
As at March 31, 2020	-	-	5.29	5.29
For the year	-	4.29	1.04	5.33
Disposals/Adjustments	-	-	-	-
As at March 31, 2021	-	4.29	6.33	10.62
For the year	0.02	4.46	1.73	6.21
Disposals/Adjustments	-	-	-	-
As at March 31, 2022	0.02	8.75	8.06	16.83
<b>Net Block</b>				
As at March 31, 2021	-	14.26	4.58	18.84
As at March 31, 2022	0.04	9.80	19.15	28.99

- i) The information relating to Gross block, accumulated Depreciation and Impairment if any, has been disclosed as an additional information since the Group has adopted deemed cost exemption under Ind AS 101.

**Note 10: Right to Use Asset (ROUA)**

Particulars	ROUA(Building)	Total
Gross block as at March 31, 2020	8.02	8.02
Additions	-	-
Transfers	-	-
Disposals / Adjustments	8.02	8.02
Gross Block as at March 31, 2021	0.00	0.00
Additions	-	-
Transfers	-	-
Disposals / Adjustments	-	-
Gross Block as at March 31, 2022	0.00	0.00
<b>Accumulated Amortization:</b>		
As at March 31, 2020	6.42	6.42
For the year	1.60	1.60
Disposals/Adjustments	8.02	8.02
As at March 31, 2021	(0.00)	(0.00)
For the year	-	-
Disposals/Adjustments	-	-
As at March 31, 2022	(0.00)	(0.00)
<b>Net Block</b>		
As at March 31, 2021	-	-
As at March 31, 2022	-	-

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	As at March 31, 2022	As at March 31, 2021
<b>Note 11: Other non-financial assets</b>		
Prepaid expenses	0.12	0.04
<b>Total</b>	<u>0.12</u>	<u>0.04</u>

**Note 12: Financial Liabilities - Trade payables**

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.02
<b>Total</b>	<u>-</u>	<u>0.02</u>

The Company has compiled this information based on the current information in its possession as at March 31, 2022. No supplier has intimated the Company about its status as Micro and Small Enterprises or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payables from the due date of payment for each of the category as at 31<sup>st</sup> March, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
i) MSME	-	-	-	-	-	-
ii) Others	-	-	-	-	-	-
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-

Ageing for trade payables from the due date of payment for each of the category as at 31<sup>st</sup> March, 2021

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
i) MSME	-	-	-	-	-	-
ii) Others	0.02	-	-	-	-	0.02
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	(₹ in Mln.s)	
	As at March 31, 2022	As at March 31, 2021
<b>Note 13: Other Financial Liabilities</b>		
Provision for expense	14.37	7.80
<b>Total</b>	<u>14.37</u>	<u>7.80</u>

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	As at March 31, 2022	As at March 31, 2021
<b>Note 14: Income Tax Liabilities</b>		
Income Tax Liabilities (net of advance tax)	3.76	0.87
<b>Total</b>	<u>3.76</u>	<u>0.87</u>

**Note 15: Other non financial liabilities**

Statutory dues	1.11	0.17
<b>Total</b>	<u>1.11</u>	<u>0.17</u>

**Note 16: Share capital**

**(a) Authorised share capital**

Particulars	Equity shares
<b>As at March 31, 2022 :</b>	
Number of shares	40,000,000
Face value per share (Rupees)	5.00
Amount (Rs. in millions)	200.00
<b>As at March 31, 2021:</b>	
Number of shares	40,000,000
Face value per share (Rupees)	5.00
Amount (Rs. in millions)	200.00

**(b) Terms/ rights attached to equity shares**

The Company has only one class of issued equity shares having a par value of Rs.5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive surplus assets of the Company, remaining after distribution of all preferential amounts.

**(c) Issued and subscribed equity share capital**

Particulars	(Rs. in Mln.s)	
	Number of shares	Amount
<b>As at March 31, 2022</b>	<b>37,667,628</b>	<b>188.34</b>
Changes in equity share capital	-	-
<b>As at March 31, 2021</b>	<b>37,667,628</b>	<b>188.34</b>
Changes in equity share capital	-	-

**(d) Details of shareholders holding more than 5% shares in the Company**

Particulars	Ajinkya Investment & Trading Company	Sundaram Trading & Investment Private Limited	KSL Holdings Pvt. Ltd.
<b>As at March 31, 2022</b>			
% of holding	27.32%	25.99%	13.42%
Number of shares	10,292,103	9,793,068	5,054,091
<b>As at March 31, 2021</b>			
% of holding	27.32%	25.99%	13.42%
Number of shares	10,292,103	9,793,068	5,054,091

**Shares held by promoters of the Company:**

S. N.	Promoter Name	As at March 31, 2022		As at March 31, 2021		% Change
		No. of shares	% of total	No. of shares	% of total	
1	Ajinkya Investment And Trading Company	10,292,103	27.32%	10,292,103	27.32%	0.00%
2	Sundaram Trading And Investment Pvt. Ltd.	9,793,068	25.99%	9,793,068	25.99%	0.00%
3	Ksl Holdings Private Limited	5,054,091	13.42%	5,054,091	13.42%	0.00%
4	PIH Finvest Company Limited	1,424,885	3.78%	1,424,885	3.78%	0.00%
5	Jannhavi Investment Private Limited	458,514	1.22%	458,514	1.22%	0.00%
6	Rajgad Trading Company Pvt. Ltd.	151,674	0.40%	151,674	0.40%	0.00%
7	Kalyani Consultants Pvt. Ltd.	149,500	0.40%	149,500	0.40%	0.00%
8	Kalyani Exports & Investments Pvt.Ltd.	145,250	0.39%	-	0.00%	100.00%
9	Aboli Investment Pvt Ltd	136,900	0.36%	-	0.00%	100.00%
10	Dandakaranya Investment And Trading Pvt. Ltd.	95,000	0.25%	95,000	0.25%	0.00%
11	Gaurishankar Neelkanth Kalyani	63,779	0.17%	63,779	0.17%	0.00%
12	Campanula Investment & Finance Pvt. Ltd.	61,389	0.16%	61,389	0.16%	0.00%
13	Cornflower Investment & Finance Pvt. Ltd.	41,900	0.11%	41,900	0.11%	0.00%
14	Amit Babasaheb Kalyani	28,220	0.07%	28,220	0.07%	0.00%
15	Babasaheb Neelkanth Kalyani	7,212	0.02%	7,212	0.02%	0.00%
16	Hastinapur Investment & Trading Pvt.Ltd.	6,267	0.02%	6,267	0.02%	0.00%
17	Sunita Babasaheb Kalyani	4,000	0.01%	4,000	0.01%	0.00%
18	Rohini Gaurishankar Kalyani	2,000	0.01%	2,000	0.01%	0.00%
19	Dronacharya Investment & Trading Pvt.Ltd.	5,643	0.01%	5,643	0.01%	0.00%
20	Mira Kheny	700	0.00%	700	0.00%	0.00%
21	Ashok Kumar Kheny	581	0.00%	581	0.00%	0.00%
22	Sugandha Jai Hiremath	400	0.00%	400	0.00%	0.00%
23	Deeksha Amit Kalyani	50	0.00%	50	0.00%	0.00%
		<b>27,923,126</b>	<b>74.13%</b>	<b>27,640,976</b>	<b>73.38%</b>	

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	As at March 31, 2022	As at March 31, 2021
<b>Note 17: Reserves and Surplus</b>		
Retained earnings	3,931.65	3,784.82
Add: Profit for the year	361.58	183.54
Less: Transfer to statutory reserve fund	(72.32)	(36.71)
	4,220.91	3,931.65
General Reserve as at the beginning and end of the year	0.87	0.87
Capital reserve as at the beginning and end of the year	2,367.52	2,367.52
Statutory Reserve Fund as at the beginning of the year	1,224.71	1,188.00
Add:	72.32	36.71
Reserve Fund as at the end of the year	1,297.02	1,224.71
FVOCI Equity investments		
As at the beginning of the year net of deferred taxes	7,835.44	1,865.29
Deferred Tax Impact (FVOCI)	39.01	23.55
Add: Fair value gains/(losses) for the year	3,621.63	5,946.60
As at the end of the year	11,496.08	7,835.44
<b>Total</b>	<b>19,382.40</b>	<b>15,360.19</b>

**Nature and purpose of reserves:**

**i General reserve :**

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in General Reserve since transfer under the scheme of arrangement.

**ii Capital reserve :**

It is the reserve pertaining to the investment undertaking transferred to the Resultant Company, i.e. BF Investment Ltd., Consequent to the scheme of arrangement approved by High Court of judicature, Mumbai during F.Y. 2009-2010.

**iii Capital Redemption Reserve :**

An erstwhile subsidiary of BF Utilities Ltd. (amalgamated company) had preference capital. At the time of redemption of said preference capital, Redemption reserve was created, which has since got transferred to BF Investment by means of scheme of arrangement.

**iv Statutory Reserve Fund :**

Under sec 45IC(1) of RBI act, every NBFC has to transfer 20% of its post tax profits to a corpus termed as Reserve Fund.

**v FVTOCI Equity investment reserve:**

The Company has elected to recognise changes in the fair value of investment in equity shares in other comprehensive income. These changes are accumulated within the FVTOCI investment reserve within equity. The Company will transfer amounts from the said reserve to retained earnings when the relevant equity shares are de-recognised.

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Note 18: Interest Income</b>		
On Financial Assets measured at Amortised Cost		
Interest Received on Bank Deposits	66.39	47.33
Interest received on intercorporate deposit	0.91	1.11
<b>Total</b>	<u>67.30</u>	<u>48.44</u>
<b>Note 19: Dividend Income</b>		
Dividend received	435.55	175.85
<b>Total</b>	<u>435.55</u>	<u>175.85</u>
<b>Note 20: Net Gain/(loss) on fair value changes</b>		
Net gain/(loss) on financial instruments at fair value through profit or loss		
- preference shares	(9.10)	73.14
- Loans	32.16	19.85
Total Net gain/(loss) on fair value changes		
Fair Value Changes:		
-Realised	-	-
-Unrealised	23.06	92.99
<b>Total Net gain/(loss) on fair value changes</b>	<u>23.06</u>	<u>92.99</u>
<b>Note 21: Other Income</b>		
Miscellaneous Income	-	0.72
Provision written back	0.02	4.27
<b>Total</b>	<u>0.02</u>	<u>4.99</u>
<b>Note 22: Employee Benefit Expenses</b>		
Salaries and wages (refer note 29)	5.83	4.79
Contribution to provident and other funds	0.15	0.14
Staff welfare expenses	0.09	0.04
<b>Total</b>	<u>6.06</u>	<u>4.96</u>
<b>Note 23: Finance Cost</b>		
Other interest	-	0.01
Finance cost on leases	-	0.04
<b>Total</b>	<u>-</u>	<u>0.05</u>

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Note 24: Depreciation</b>		
Depreciation on Property, Plant and Equipment	6.21	5.33
Amortization of Right to Use of Asset	-	1.60
Depreciation on Investment Property	0.13	0.13
<b>Total</b>	<u>6.34</u>	<u>7.06</u>
<b>Note 25: Other Expenses</b>		
Rent, rates and taxes	3.28	5.73
Repairs and maintenance	0.37	0.24
Communication expenses	0.02	0.02
Printing and stationery	0.01	0.06
Advertisement and publicity	0.27	0.21
Director's fees, allowances and expenses	0.26	0.25
Auditor's fees and expenses (refer note 28)	0.75	0.82
Insurance	-	0.01
Brand Fees	0.56	0.56
Professional Fees	14.44	17.10
Commission to Directors	14.00	5.00
CSR Expenditure (refer note 35)	-	18.50
Miscellaneous expense	3.05	4.72
<b>Total</b>	<u>37.00</u>	<u>53.23</u>
<b>Note 26: Tax Expense</b>		
Current tax	120.00	50.44
Deferred tax expense	(5.05)	22.97
Tax for earlier years	-	0.02
<b>Total</b>	<u>114.96</u>	<u>73.43</u>

Company had provided Income Tax for the year ended on 31<sup>st</sup> March, 2021 and remeasured its Deferred Tax Asset / Liability on the basis of rates prescribed under section 115BAA of the Income Tax Act, 1961 exercising the option permitted under that section.



Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Reconciliation of tax expense and accounting profit multiplied by statutory tax rate</b>		
Profit before tax	476.53	256.97
Applicable tax rate	25.17%	25.17%
Computed tax expense	119.94	64.68
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income :</b>		
Non-deductible expenses	1.39	8.75
Others	(6.38)	(0.02)
Tax in respect of earlier years	-	0.02
<b>Income tax expense</b>	<u><u>114.96</u></u>	<u><u>73.43</u></u>
<b>Note 27: Earnings per share</b>		
Net profit / (loss) after tax	361.58	183.54
Weighted average number of equity shares	37,667,628	37,667,628
<b>Basic and diluted earning per share of nominal value of Rs. 5/- each</b>	<u><u>9.60</u></u>	<u><u>4.87</u></u>
<b>Note 28: Payment to auditors</b>		
As auditor:		
Audit fees including limited review	0.63	0.63
Tax Audit	0.04	0.04
Certification fees	0.03	0.03
Reimbursement of out of pocket expenses and GST	0.06	0.13
<b>Total</b>	<u><u>0.75</u></u>	<u><u>0.82</u></u>
<b>Note 29: Employee benefits</b>		
Employee benefits includes amounts paid for the services of the Key Management Personnel on deputation. No separate provisions of retirement benefits or privilege leave benefits of such employees are recognized in the books of the Company.		

**Note 30: Related party transactions**

**A) Name of the related parties and nature of relationship**

**(1) Names of the related party and nature of relationship where control/ significant influence exists**

a) Associate Companies	Ownership interest held by the Company	
	March 31, 2022	March 31, 2021
i Kalyani Steels Limited	39.06%	39.06%
ii KSL Holdings Private Limited	42.52%	42.52%
iii Triumphant Special Alloys Pvt. Ltd. (previously known as Carpenter Kalyani Special Alloys Pvt. Ltd)	45.51%	45.51%
iv Kalyani Financial Services Limited	49.00%	49.00%
v Nandi Engineering Limited	40.00%	40.00%
vi Synise Technologies Limited	46.77%	46.77%

The principal place of business of the associate is India and the Company has accounted for its investment in associate at cost.

b) Joint Ventures	Ownership interest held by the Company	
	March 31, 2022	March 31, 2021
i Automotive Axles Limited	35.52%	35.52%
ii Meritor (HVS) India Limited	48.99%	48.99%

The principal place of business of the Joint Venture is India and the Company has accounted for its investment in Joint Venture at cost.

**(2) Key Management Personnel**

- i Mr. J. G. Patwardhan, the Chief Executive Officer and Chief Financial Officer
- ii Mr. S. R. Kshirsagar, the Company Secretary
- iii Mr. Amit B. Kalyani, Director
- iv Mr. B. B. Hattarki, Director
- v Mr. M. U Takale, Director
- vi Mr. B. S. Mitkari, Director
- vii Mr. S.G. Joglekar, Director
- viii Ms. A. A. Sathe, Director

**(3) Enterprise where in the Company is an Associate :**

- i Ajinkya Investment & Trading Company
- ii Sundaram Trading & Investment Private Limited

**(4) Other related parties with whom transactions have taken place during the year:**

- a) Entities under common control
  - i) Bharat Forge Limited
  - ii) Hikal Limited
  - iii) Kalyani TechnoForge Ltd.
  - iv) Baramati Speciality Steels Ltd
  - v) BF Utilities Limited
  - vi) Khed Economic Infrastructure Private Limited
  - vii) Kalyani Strategic Management Services Pvt Ltd

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>B) Details of transactions with and balances outstanding of related parties:</b>		
<b>a) Dividend Received</b>		
Associate		
i) Kalyani Steels Limited	127.89	-
Joint venture		
i) Automotive Axles Limited	24.16	4.29
ii) Meritor HVS India Limited	174.44	148.90
Entities under common control		
i) Bharat Forge Limited	54.65	-
ii) Hikal Limited	7.20	3.93
iii) Kalyani TechnoForge Ltd.	46.34	-
iv) Baramati Speciality Steels Ltd	-	18.16
<b>Total</b>	<u><u>434.68</u></u>	<u><u>175.28</u></u>
<b>b) Redemption of Preference shares</b>		
Entities under common control		
i) Baramati Speciality Steels Ltd	-	93.00
<b>Total</b>	<u><u>-</u></u>	<u><u>93.00</u></u>
<b>c) Repayment of loan received</b>		
Entities under common control		
i) BF Utilities Limited	10.27	6.10
ii) Khed Economic Infrastructure Private Limited	22.50	-
<b>Total</b>	<u><u>32.77</u></u>	<u><u>6.10</u></u>
<b>d) Loan given</b>		
Entities under common control		
i) Khed Economic Infrastructure Private Limited	-	22.50
<b>Total</b>	<u><u>-</u></u>	<u><u>22.50</u></u>
<b>e) Interest received on loan given</b>		
Entities under common control		
i) Khed Economic Infrastructure Private Limited	0.91	1.12
<b>Total</b>	<u><u>0.91</u></u>	<u><u>1.12</u></u>
<b>f) Rent paid</b>		
Entities under common control		
i) Kalyani Global Engineering Private Limited	2.40	1.40
<b>Total</b>	<u><u>2.40</u></u>	<u><u>1.40</u></u>
<b>g) Branding fees paid</b>		
Entities under common control		
i) Kalyani Strategic Management Services Pvt Ltd	0.50	0.50
<b>Total</b>	<u><u>0.50</u></u>	<u><u>0.50</u></u>
<b>h) Remuneration to Key Managerial Person*</b>		
i) Mr. J. G. Patwardhan, the Chief Financial Officer and Chief Executive Officer	4.51	3.63
ii) Mr. S. R. Kshirsagar, the Company Secretary	1.53	1.33
<b>Total</b>	<u><u>6.04</u></u>	<u><u>4.96</u></u>

\*Reimbursed to BF Utilities Ltd. and Kalyani Global Engineering Pvt. Ltd., respectively, being on deputation from them

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>g) Director's sitting fees</b>		
i) Mr. Amit B. Kalyani, Director	0.04	0.04
ii) Mr. B. B. Hattarki, Director	0.04	0.04
iii) Mr. M. U. Takale, Director	0.04	0.04
iv) Ms. A. A. Sathe, Director	0.01	0.01
v) Mr. B. S. Mitkari, Director	0.04	0.04
vi) Mr. S.G. Joglekar, Director	0.04	0.04
<b>Total</b>	<u>0.21</u>	<u>0.21</u>
<b>h) Director's commission</b>		
i) Mr. Amit B. Kalyani, Director	10.00	2.50
ii) Mr. B. B. Hattarki, Director	0.80	0.50
iii) Mr. M. U. Takale, Director	0.80	0.50
iv) Ms. A. A. Sathe, Director	0.80	0.50
v) Mr. B. S. Mitkari, Director	0.80	0.50
vi) Mr. S.G. Joglekar, Director	0.80	0.50
<b>Total</b>	<u>14.00</u>	<u>5.00</u>
<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Balances with related parties</b>		
<b>a) Director's commission payable</b>		
i) Mr. Amit B. Kalyani, Director	10.00	2.50
ii) Mr. B. B. Hattarki, Director	0.80	0.50
iii) Mr. M. U. Takale, Director	0.80	0.50
iv) Mr. B. S. Mitkari, Director	0.80	0.50
v) Mr. S.G. Joglekar, Director	0.80	0.50
vi) Ms. A. A. Sathe, Director	0.80	0.50
<b>Total</b>	<u>14.00</u>	<u>5.00</u>
<b>b) Loan/ security deposit receivable (after adjusting fair valuation impact)</b>		
<b>Entities under common control</b>		
i) Nandi Economic Corridor Enterprises Limited	107.08	97.35
ii) Khed Economic Infrastructure Private Limited	265.00	287.50
iii) Nandi Infrastructure Corridor Enterprise Ltd	2.77	2.52
iv) BF Utilities Limited	114.25	102.34
v) Kalyani Strategic Management Services Pvt Ltd	1.30	1.30

The above transactions are at arm's length, and the commission payable is unsecured.

**Note 31 : Fair value measurements**

**Financial assets and liabilities at amortised cost**

(₹ in Mln.s)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Financial assets</b>		
Term deposits	1,385.25	807.65
Security deposits	266.31	266.51
Loans	-	22.50
Interest receivable	6.89	5.74
Cash and cash equivalents	11.47	223.52
<b>Total financial assets</b>	<b>1,669.93</b>	<b>1,325.92</b>
<b>Financial liabilities</b>		
Trade payables	-	0.02
Provision for expenses	14.37	7.80
<b>Total financial liabilities</b>	<b>14.37</b>	<b>7.82</b>

**Financial assets and liabilities classified as FVPL**

(₹ in Mln.s)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in Preference shares	941.46	950.56
Loans	224.10	202.21

**Financial assets and liabilities classified as FVOCI**

(₹ in Mln.s)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in Equity Shares	14,722.01	11,710.89
Investment in Debentures	796.32	185.81

**i) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

	(₹ in Mln.s)		
Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3
<b>Investment in Preference shares</b>			
March 31, 2022	-	-	941.46
March 31, 2021	-	-	950.56
<b>Investment in Equity Shares</b>			
March 31, 2022	12,721.89	-	2,000.12
March 31, 2021	10,177.62	-	1,533.27
<b>Investment in Debentures</b>			
March 31, 2022	-	-	796.32
March 31, 2021	-	-	185.81
<b>Loans</b>			
March 31, 2022	-	-	224.10
March 31, 2021	-	-	202.21

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value for preference shares is determined using discounted cash flow analysis (KSL Holding Limited, Kalyani Technoforge Limited and Kalyani Financial Services Limited)
- The fair value for loans is determined using discounted cash flow analysis (Loans to BF Utilities Limited, NICE Limited and Nandi Economic Corridor Enterprises Limited )
- The fair value for compulsorily convertible debentures is determined using asset approach (Net Asset Value method)
- The fair value for unquoted equity shares are determined using cost approach.

#### iii) Valuation process

The Company performs the valuations of assets and liabilities required for financial reporting purposes. The Company appoints external valuation experts whenever the need arises for level 3 fair valuation. Discussions of valuation processes and results are held between the the Company and the valuation experts periodically, in line with the Company's annual reporting period.

#### iv) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of such financial assets and liabilities are a reasonable approximation of their fair values.

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

v) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items:

(₹ in Mln.s)

Particulars	Unquoted Equity shares	Preference shares	Debentures	Loans	Total
<b>As at March 31, 2020</b>	1,626.82	970.42	192.45	188.44	2,978.13
Purchased (redeemed/repaid) during the year	-	(93.00)	-	(6.10)	(99.10)
Gain / (loss) recognised in profit or loss	-	73.14	-	19.86	93.01
Gains/ (losses) recognised in other comprehensive income	(93.55)	-	(6.64)	-	(100.19)
<b>As at March 31, 2021</b>	1,533.27	950.56	185.81	202.21	2,871.85
Purchased (redeemed/repaid) during the year	-	-	-	(10.27)	(10.27)
Gain / (loss) recognised in profit or loss	-	(9.10)	-	32.16	23.06
Gains/ (losses) recognised in other comprehensive income	466.84	-	610.51	-	1,077.36
<b>As at March 31, 2022</b>	2,000.12	941.46	796.32	224.10	3,962.00

v) Valuation inputs and relationships to fair value The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value		Fair value as at		Inputs used for fair value	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Name of the entity	Method of valuation- significant unobservable inputs				
Equity Shares of ₹ 10/- each fully paid in Khed Economic Infrastructure Private Limited.	Cost approach- method Inputs considered for cost approach : Inventory valuation 1) Rate per acre for developed land 2) Rate per acre for land under development 3) Rate per acre for undeveloped land	1,534.29	1,096.12	Inventory valuation Rate per acre for developed land in the range of Rs. 1.05 to Rs. 1.26 crore per acre	Inventory valuation Rate per acre for developed land in the range of Rs. 1.04 to Rs. 1.26 crore per acre
Equity Shares of ₹ 10/- each fully paid in Kalyani Maxion Wheels Limited	Cost approach - method Inputs considered for cost approach : Fair valuation of Tangible assets	465.82	437.14	Fair value tangible assets viz. land, buildings and plant and equipment viz. plant and machinery, factory equipment, research and development.	Fair value tangible assets viz. land, buildings and plant and equipment viz. plant and machinery, factory equipment, research and development.
0% Fully Convertible Debentures of ₹ 100/- each fully paid of Kalyani Financial Services Ltd.	Cost approach - method Inputs considered for cost approach : Fair valuation of Investments	796.32	185.81	Fair value of current and non current investments viz. equity shares and debentures.	Fair value of current and non current investments viz. equity shares and debentures.
7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited.	Discounted cash flow method	355.93	369.90	10%	10%
9% Cumulative Redeemable Non Convertible Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Private Limited.	Discounted cash flow method	528.10	528.46	10%	10%
1% Non Cumulative Compulsorily Convertible Preference Shares of ₹ 10/- each, fully paid in Kalyani Financial services Limited	Discounted cash flow method	57.42	52.20	10%	10%



Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

The sensitivity analysis on account of inputs used for fair valuation are as follows:

(₹ in Mln.s)

Particulars	March 31, 2022	March 31, 2021
<b>Equity shares of Khed Economic Infrastructure Private Limited:</b>		
Rate per acre		
Increase by 5%	103.48	54.81
Decrease by 5%	(103.48)	(54.81)
<b>Equity shares of Kalyani Maxion Wheels Limited:</b>		
Fair value of tangible assets		
Increase by 5%	19.67	21.86
Decrease by 5%	(19.67)	(21.86)
<b>0% Fully Convertible Debentures of ₹ 100/- each fully paid of Kalyani Financial Services Ltd.:</b>		
Fair value of investments		
Increase by 20%	88.39	21.24
Decrease by 20%	(110.49)	(20.57)
<b>7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited.</b>		
Discount rate		
Increase by 1%	20.23	(13.82)
Decrease by 1%	(18.98)	14.78
<b>9% Cumulative Redeemable Non Convertible Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Private Limited.</b>		
Discount rate		
Increase by 1%	(35.77)	(45.27)
Decrease by 1%	39.80	51.99
<b>1% Non Cumulative Compulsorily Convertible Preference Shares of ₹ 10/- each, fully paid in Kalyani Financial services Limited</b>		
Discount rate		
Increase by 1%	(2.54)	(1.58)
Decrease by 1%	2.68	1.67

**Note 32 : Financial risk management**

Presented below is a description of the risks (market risk, and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period.

**I Market Risk**

**A Price risk**

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet whether at fair value through Other Comprehensive Income or at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies the portfolio. The majority of group's equity investments are publically traded and are included in the BSE and NSE indices.

**II Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these debt financing plans.

**i) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

	(₹ in Mln.s)	
	Less than 1 year	More than 1 year
<b>March 31, 2022</b>		
<b>Non- derivative</b>		
Trade payables	-	-
Provision for expenses	14.37	-
<b>March 31, 2021</b>		
<b>Non- derivative</b>		
Trade payables	0.02	-
Provision for expenses	7.80	-

**III Credit Risk:**

The Company is exposed to credit risk from its activity of giving loans and from its financing activities, including deposits with banks and other financial instruments. The balances with banks, loans given to corporate bodies, security deposits are subject to low credit risk since the counter-party has strong capacity to meet the obligations and where the risk of default is negligible except for few which are already impaired. An impairment analysis is performed at each reporting date on an individual basis for each loan given.

**i) Loss allowance for loans :**

	(₹ in Mln.s)	
Particulars	March 31, 2022	March 31, 2021
Gross carrying amount	311.03	311.64
Loss allowance provision	(86.93)	(86.93)
<b>Carrying amount of loans (net of impairment)</b>	<b>224.10</b>	<b>224.71</b>

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

ii) Reconciliation of loss allowance provision - loans		(₹ in Mln.s)
Loss allowance as on April 1, 2022		86.93
Changes in loss allowance		-
Loss allowance as on April 1, 2021		86.93
Changes in loss allowance		-
Loss allowance as on March 31, 2020		86.93

**Note 33 : Capital management**

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets. The company does not have any debt. The capital structure of the Company is as follows:

Particulars	(₹ in Mln.s)	
	March 31, 2022	March 31, 2021
Share Capital	188.34	188.34
Other Equity	19,382.40	15,360.19
<b>Total</b>	<u>19,570.74</u>	<u>15,548.53</u>

**Note 34 : Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors has been identified as the chief operating decision maker.

The Company is in the business of making investments in group companies, focusing on earning income through dividends, interest and gains on investment held, which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015 as amended.

All assets are in India.

**Note 35 : Corporate social responsibility (CSR)**

The Company has formed Corporate Social Responsibility (CSR) Committee and has also adopted a CSR Policy in accordance with the provisions of section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company recognizes CSR spends as and when incurred. Relevant details for the financial year covered by these statements are as under.

	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
Amount required to be spent by the company during the year*	-	7.73
Amount of expenditure incurred ( including short fall of previous year paid in current year)**	-	18.50
Shortfall / (Excess) at the end of the year	-	-
Total of previous years shortfall / (excess)	-	-
Nature of shortfall	NA	NA
Nature of CSR activities	NA	NA
Details of related party transactions	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

\* Since the majority of the dividend received by the Company is from the companies in India, which are covered under and complying with the provisions of section 135 of the Act therefore the amount required to be spent as CSR by the Company as per the calculation prescribed under section 135 (5) of the Act is Nil.

\*\*During the FY 2020-21 the Company had spent Rs. 10.78 Mln against short fall of FY 2019-20.

**36** Legal title to some of the assets vested and transferred to the Company in pursuance of the Composite Scheme of Arrangement approved by the Honourable High Court of judicature at Bombay, as per Order dated 5<sup>th</sup> February, 2010 referred to herein before, could not be transferred in the name of the Company as at 31<sup>st</sup> March, 2022. The Company is in the process of completing the required legal formalities.

**37** Company had given a financial guarantee to Axis Finance Ltd., of an amount of Rs. 1200 million in December 2018, in respect of a term loan availed by a Kalyani group company from Axis Finance Ltd, for a period ending upto 31<sup>st</sup> March 2023. The balance outstanding of that loan as at 31<sup>st</sup> March 2022 is Rs. 159.93 million (previous year Rs. 663.10 million). The company has accounted for the fair value of this financial guarantee in the financial statements, which as per the valuation report obtained by the company, is Nil as on March 31<sup>st</sup>, 2022 (previous year Rs. Nil).

**38 Long term loans given :**

The Company has given letter of subordination to Nandi Economic Corridor Enterprises Ltd. (NECE) and Airro (Mauritius) Holdings V, whereby the Company has agreed to subordinate the interest free unsecured loan of Rs. 1,160,520,067 (Previous Year : Rs. 1,160,520,067) granted by it to NECE, until the entire stakeholding of Airro (Mauritius) Holdings V in NECE Ltd. is completely sold off or all the amounts payable by NECE Ltd. to Airro (Mauritius) Holdings V in terms of the Shareholders Agreement dated 24<sup>th</sup> December, 2010, between Airro (Mauritius) Holdings V and NECE Ltd. are fully paid off. The Company has given Interest free unsecured Loans of Rs. 184,000,000/- (P.Y. Rs. 194,265,288/- ) and Rs. 30,000,000/- (P.Y. Rs.30,000,000/-) to BF Utilities Ltd. & NICE Ltd. respectively. These loans are repayable over 10 & 30 year period respectively, commencing from 1<sup>st</sup> april, 2018.

(₹ in Mln.s)

**39 Contingent Liabilities not provided for :**

	March 31, 2022	March 31, 2021
During the financial year 2019-20, the Company had paid a Transfer Duty of Rs. 10,85,127/- to New Delhi Municipal Council, towards registration of it's property held at Antariksh Bhavan, New Delhi, in its name. The relevant mutation certificates as Property Tax payer are on Companies record. The process for registering name of the company as propertyholder in the land records is currently in process.	Unascertainable	Unascertainable

(₹ in Mln.s)

March 31, 2022	March 31, 2021
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**40 Capital commitments (net of advances) :**

- -

**41 Additional regulatory information required by Schedule III to the Companies Act, 2013:**

- i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- iii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

Notes forming part of the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022.

- (iv) Utilisation of borrowed funds and share premium:-The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:(a) 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(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries-The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:(a) 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(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (v) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- (vi) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- (vii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**4.2 Financial Ratios:**

Sr. No.	Ratios	Numerator	Denominator	31st March 2022	31st March 2021
1	Capital to risk-weighted assets ratio (CRAR)	Tier1 capital+ Tier2 capital	Risk Weighted Assets	N A	NA
2	Tier I CRAR	Tier1	Total Risk Weighted Assets	N A	NA
3	Tier I CRAR	Tier2	Risk Weighted Assets	N A	NA
4	Liquidity Coverage Ratio	High quality liquid asset amount	Total net cash flow amount	N A	NA

Since the above ratios are relevant for NBFCs therefore being Core Investment Company (CIC) the Company has not disclosed above ratios.

**4.3** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per my attached report of even date,

For **P. G. BHAGWAT LLP**  
(FRN No. 101118W/ W100682)  
Chartered Accountants

**Abhijeet Bhagwat**  
Partner  
Membership No.136835

Place : Pune  
Date : 30<sup>th</sup> May, 2022

On behalf of the Board of Directors,

**B.S. Mitkari**  
Director  
DIN: 03632549

**J. G. Patwardhan**  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : 30<sup>th</sup> May, 2022

**B. B. Hattarki**  
Director  
DIN : 00145710

**S. R. Kshirsagar**  
Company Secretary

# CONSOLIDATED FINANCIAL STATEMENTS

## Independent Auditor's Report

To the Members of BF Investment Limited

Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated Financial Statements of BF Investment Limited (hereinafter referred to as "the Company"), its Associates and Joint Ventures, which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of 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 reports of other auditors on separate financial statements and on the other financial information/statements prepared by the Management 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Company, its Associates and Joint Ventures as at March 31, 2022, of the consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company, its Associates and Joint Ventures 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 Consolidated 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 and by the other auditors referred to in the "Other Matter" paragraph, 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.

#### a. Valuation of investments

At the balance sheet date, the value of investments in the Company amounted to Rs.41,770.60 million representing 95.07% of the total assets. Investments have been considered as key audit matter due to the size of the balance, various recognition principles, subsequent measurement principles and disclosure requirements. Refer note 1A(j) to the Consolidated Financial Statements for its accounting policy.

### Principle Audit Procedures

- i. We have understood and evaluated the process of the Management to identify impairment indicators (if any) for the Company's investments.
- ii. For quoted investments, we have independently verified the fair values.
- iii. We have evaluated the fair value of unquoted investments adopted by the Management and assessed the parameters of the fair valuation reports obtained by the Management from external experts.
- iv. On a test check basis, we have verified appropriate evidence with regard to assertions of existence and rights to the investments.
- v. We have verified principles for recognition, subsequent measurement and disclosures as specified in the accounting policy adopted by the Company based on the Indian Accounting Standards.

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## Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis; Board of Directors' Report along with its Annexures and Corporate Governance Report included in the Annual Report but does not include the Consolidated Financial Statements and our Auditors' 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 Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term 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), the consolidated statement of changes in equity and consolidated cash flows of the Company, its Associates and Joint Ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the Company, its Associates and Joint Ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, its Associates and Joint Ventures 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 effectively for ensuring 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Company, its Associates and Joint Ventures are responsible for assessing the ability of the Company, its Associates and Joint Ventures 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, its Associates and Joint Ventures or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company, its Associates and Joint Ventures are responsible for overseeing the financial reporting process of the Company, its Associates and Joint Ventures.

### 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 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 Consolidated 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 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 Company, its Associates and Joint Ventures has adequate internal financial controls with reference to the Consolidated 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 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 Company, its Associates and Joint Ventures 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 Company, its Associates and Joint Ventures 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 the entities or business activities within the Company, its Associates and Joint Ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the 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 Company, its Associates and Joint Ventures 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**

- i. The Consolidated Financial Statements include the Company's share (by equity method) of total comprehensive income of Rs. 3,268.19 million for the year ended March 31, 2022 from its three Associates and two Joint Ventures. The financial statements / information of these Associates and Joint Ventures have been audited by other auditors whose reports have been furnished to us by the Management and our conclusion on the Consolidated Financial Results to the extent they have been derived from such financial statements / information is based solely on the review reports of the other auditors.
- ii. The Management has not consolidated two Associates namely Nandi Engineering Limited and Synise Technologies Limited having no operations and therefore immaterial with respect to the Consolidated Financial Statements.

Our opinion on the Consolidated Financial Statements 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 Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial statements, information prepared by the Management, as noted in the Other Matters paragraph, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.



- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity 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 specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of the Associates and Joint Ventures, none of the directors of the Company, its Associates and Joint Ventures, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) For our opinion on the internal financial controls with reference to Consolidated Financial Statements of the Company, its Associates and Joint Ventures and the operating effectiveness of such controls, refer to our separate Report in Annexure I.
- g) As required by section 197 (16) of the Act; in our opinion and according to the information and explanations given to us and on the consideration of reports of the other auditors on separate financial statements, the remuneration paid during the current year to its Directors by the Company, its Associates and Joint Ventures is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under 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, in our opinion and to the best of our information and according to the explanations given to us and on the consideration of reports of the other auditors on separate financial statements:
- (i) The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2022 on the consolidated financial position of the Company, its Associates and Joint Ventures- Refer Note 31A to the Consolidated Financial Statements.
  - (ii) The Company, Associates and Joint ventures have made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - (iii) There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, its Associates and Joint Ventures during the year ended March 31, 2022.
  - iv)
    - (a) The respective Managements of the Company, its Associates and Joint Ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and their respective auditors 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 its Associates or Joint Ventures 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 its Associates or Joint Ventures ("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 Associates and Joint Ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and their respective auditors 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 its Associates and Joint Ventures from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its Associate and Joint Ventures 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 by others auditors on the Associates and Joint Ventures, 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) The dividend declared and paid during the year by the Company, its Associates and Joint Ventures is in compliance with Section 123 of the Act.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Company and other auditors of Associates and Joint ventures included in the Consolidated Financial Statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except following:

S. N.	Name	CIN	Company/ Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Kalyani Financial Services Limited	U65910PN1986PLC039645	Associate	Clause xvi (a),(b),(c ) and Clause xvii

For P.G. BHAGWAT LLP  
Chartered Accountants  
Firm Registration Number : 101118W / W100682

Abhijeet Bhagwat  
Partner  
Membership No. 136835  
UDIN: 22136835AKRIBN1357

Pune : May 30, 2022

## "ANNEXURE I" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to the Consolidated Financial Statements of BF Investments Limited (hereinafter referred to as "the Company"), its Associates and Joint Ventures for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Management the Company, its Associates and Joint Ventures is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company, its Associates and Joint Ventures 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. 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, Associates and Joint Venture'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 Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company, its Associates and Joint Venture's internal financial controls with reference to the Consolidated Financial Statements 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, 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 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 internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial with reference to 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 auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and audit evidence obtained by other auditors of the Associates and Joint Ventures in terms of their report referred to in other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company, its Associates and Joint Ventures internal financial controls with reference to 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 Consolidated 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations 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 Consolidated 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

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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 and based on the audit reports of other auditors, the Company, its Associates and Joint Ventures have, in all material respects, an adequate internal financial controls over financial reporting with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company, its Associates and Joint Ventures 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.

### Other Matters

- i. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to the three Associates and two Joint Ventures, is based on the corresponding reports of the auditors of such companies.
- ii. The Management has not consolidated two Associates namely Nandi Engineering Limited and Synise Technologies Limited having no operations and therefore immaterial with respect to the Consolidated Financial Statements.

Our opinion on the Internal Financial Controls with reference to the Consolidated Financial Statements 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.

For P.G. BHAGWAT LLP  
Chartered Accountants  
Firm Registration Number : 101118W / W100682

Abhijeet Bhagwat  
Partner  
Membership No. 136835  
UDIN: 22136835AKRIBN1357

Pune : May 30, 2022

## Consolidated Balance Sheet as at 31<sup>st</sup> March, 2022

(₹ in Mln.s)

	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
(a) Cash and cash equivalents	Note 3a	11.47	223.52
(b) Bank Balances other (a) above	Note 3b	1,385.25	807.65
(c) Loans	Note 4	224.10	224.71
(d) Investments	Note 5A	16,459.79	12,847.26
(e) Investments accounted using Equity Method	Note 5B & 31	25,310.81	21,389.51
(f) Other financial assets	Note 6	273.20	272.25
		43,664.62	35,764.90
<b>2 Non-financial Assets</b>			
(a) Income Tax Assets (net)		-	-
(b) Deferred Tax Asset (net)	Note 7	112.21	68.15
(c) Investment Property	Note 8	130.05	130.17
(d) Property, Plant and Equipment	Note 9	28.99	18.84
(e) Right to Use Asset	Note 10	-	-
(f) Other non-financial assets	Note 11	0.12	0.04
		271.37	217.20
<b>Total Assets</b>		43,935.99	35,982.10
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial Liabilities</b>			
(a) Trade payables	Note 12		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		-	0.02
(b) Other financial liabilities	Note 13	14.37	7.80
		14.37	7.82
<b>2 Non-Financial Liabilities</b>			
(a) Income tax liabilities	Note 14	3.76	0.87
(b) Deferred Tax Liability (net)	Note 7	3,539.48	2,996.98
(c) Other non-financial liabilities	Note 15	1.11	0.17
		3,544.35	2,998.02
<b>3 EQUITY</b>			
(a) Share capital	Note 16	188.34	188.34
(b) Other equity	Note 17	40,188.93	32,787.92
		40,377.27	32,976.26
<b>Total Liabilities and Equity</b>		43,935.99	35,982.10
Significant accounting policies	1		
Significant accounting judgements, estimates and assumptions	2		
The notes 1 to 43 form an integral part of these Consolidated financial statements			

As per my attached report of even date,

On behalf of the Board of Directors,

**For P. G. BHAGWAT LLP**  
(FRN No. 101118W/ W100682)  
Chartered Accountants

**B.S. Mitkari**  
Director  
DIN: 03632549

**B. B. Hattarki**  
Director  
DIN : 00145710

**Abhijeet Bhagwat**  
Partner  
Membership No.136835

**J. G. Patwardhan**  
Chief Executive Officer &  
Chief Financial Officer

**S. R. Kshirsagar**  
Company Secretary

Place : Pune  
Date : 30<sup>th</sup> May, 2022

Place : Pune  
Date : 30<sup>th</sup> May, 2022

## Consolidated Statement of Profit and Loss for the Year Ended 31<sup>st</sup> March, 2022

(₹ in Mln.s)

	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
<b>1 Revenue from Operations</b>			
(i) Interest Income	Note 18	67.30	48.45
(i) Dividend Income	Note 19	109.06	22.66
(iii) Net gain on fair value changes	Note 20	23.06	92.99
Total Revenue from Operations		<u>199.42</u>	<u>164.10</u>
<b>2 Other Income</b>	Note 21	0.02	4.99
<b>Total Income (1+2)</b>		<u>199.44</u>	<u>169.09</u>
<b>3 Expenses</b>			
(a) Employee benefits expense	Note 22	6.06	4.96
(b) Finance costs	Note 23	-	0.05
(c) Depreciation	Note 24	6.34	7.06
(d) Other expenses	Note 25	37.00	53.23
Total expenses		<u>49.40</u>	<u>65.30</u>
<b>4 Profit / (Loss) before exceptional items and tax</b>		<u>150.04</u>	<u>103.79</u>
<b>5 Exceptional items</b>		-	-
<b>6 Share in profit of associates accounted for using equity method</b>		<u>2,484.92</u>	<u>3,466.74</u>
<b>7 Profit / (Loss) before tax</b>		<u>2,634.96</u>	<u>3,570.53</u>
<b>8 Tax expense</b>	Note 26		
Current tax		120.00	50.44
Tax in respect of earlier years		-	0.02
Deferred tax expense		537.45	849.75
Total Tax expense		<u>657.45</u>	<u>900.21</u>
<b>9 Profit/(Loss) for the period</b>		<u>1,977.51</u>	<u>2,670.32</u>
<b>10 Other comprehensive income, net of income tax</b>			
A. Items that will not be reclassified to profit or loss			
(a) Changes in fair value of FVOCI equity investment		3,621.63	5,946.60
Tax thereon		(39.01)	(23.55)
(b) Share of other comprehensive income of associates and Joint Ventures accounted for using equity method :			
Changes in fair value of FVOCI equity investments		1,765.81	7,254.67
Remeasurements on account of post-employment benefit obligations		(2.94)	(2.74)
Total other comprehensive income for the year		<u>5,423.51</u>	<u>13,222.08</u>
<b>11 Total comprehensive income for the period</b>		<u>7,401.02</u>	<u>15,892.40</u>
<b>12 Earnings per share (of Rs. 5/- each) :</b>	Note 27	52.50	70.89
Basic & Diluted			
Significant accounting policies	1		
Significant accounting judgements, estimates and assumptions	2		
The notes 1 to 43 form an integral part of these Consolidated financial statements			

As per my attached report of even date,

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S. R. Kshirsagar  
Company Secretary

Place : Pune  
Date : 30<sup>th</sup> May, 2022

Place : Pune  
Date : 30<sup>th</sup> May, 2022

## Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2022

(₹ in Mln.s)

	Year ended March 31, 2022	Year ended March 31, 2021
<b>A) Cash flows from operating activities</b>		
Profit before income tax but after exceptional items	2,634.96	3,570.53
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	6.34	7.06
Interest - other	-	0.04
Net gain on fair value changes	(23.06)	(92.99)
Provision for doubtful dividend written back	-	(4.27)
Rent related to Ind AS 116	-	(1.96)
Share in profit of associates and joint ventures	(2,484.92)	(3,466.74)
<b>Adjustments for changes in working capital</b>		
(Increase) / Decrease in loans	32.74	6.10
Increase / (Decrease) in trade payables	(0.02)	(0.32)
Increase / (Decrease) in other financial liabilities	6.57	(11.00)
(Increase) / Decrease in other financial assets	(0.94)	(19.18)
(Increase) / Decrease in other non financial assets	(0.07)	3.00
Increase / (Decrease) in other non financial liabilities	0.94	(0.28)
<b>Cash generated from operations</b>	<u>172.54</u>	<u>(10.01)</u>
Income taxes paid (net of refunds)	(117.11)	(51.67)
<b>Net Cash from Operating activities</b>	<u>55.43</u>	<u>(61.68)</u>
<b>B) Cash flows from investing activities</b>		
(Purchase) / Sale of shares	-	93.00
Net gain on fair value changes	-	-
Dividend received from associates and joint ventures	326.49	153.18
Term deposits in bank	(577.60)	(102.55)
(Purchase) / Sale of asset	(16.37)	(18.55)
<b>Net cash flows from investing activities</b>	<u>(267.48)</u>	<u>125.08</u>
<b>C) Cash flows from financing activities</b>		
<b>Net cash flows from financing activities</b>	-	-
Net increase / (decrease) in cash and cash equivalents	(212.05)	63.40
Cash and cash equivalents at the beginning of the year (refer note 13)	223.52	160.12
<b>Cash and cash equivalents at the end of the year (refer note 13)</b>	<u>11.47</u>	<u>223.52</u>
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.		
Significant accounting policies	1	
Significant accounting judgements, estimates and assumptions	2	
The notes 1 to 43 form an integral part of these Consolidated financial statements		

As per my attached report of even date,

On behalf of the Board of Directors,

For P. G. BHAGWAT LLP  
(FRN No. 101118W/ W100682)  
Chartered Accountants

B.S. Mitkari  
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Partner  
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Chief Executive Officer &  
Chief Financial Officer

S. R. Kshirsagar  
Company Secretary

Place : Pune  
Date : 30<sup>th</sup> May, 2022

Place : Pune  
Date : 30<sup>th</sup> May, 2022

## Consolidated Statement of Changes in Equity (SOCIE) for the period ended 31<sup>st</sup> March, 2022

### A. Equity Share Capital

(₹ in Mln.s)

	Notes	No. of shares	Amount
As at March 31,2020		37,667,628	1,88.34
Changes in equity share capital		-	-
As at March 31,2021		37,667,628	1,88.34
Changes in equity share capital		-	-
As at March 31,2022		37,667,628	1,88.34

### B. Other Equity

(₹ in Mln.s)

	Notes	Reserves and Surplus					Other reserve	Total
		Retained Earnings	General reserve	Reserve Fund	Capital Redemption reserve	Capital Reserve	FVOCI equity investment reserve	
Balance as at April 1, 2020		11,404.54	0.87	1,188.01	0.00	2,367.52	1,960.51	16,921.45
Reclass of Remeasurements on account of post-employment benefit obligations due to prior period error		(45.15)	-	-	-	-	45.15	-
<b>Restated balance as at April 1, 2020</b>		<b>11,359.39</b>	<b>0.87</b>	<b>1,188.01</b>	<b>0.00</b>	<b>2,367.52</b>	<b>2,005.66</b>	<b>16,921.45</b>
Profit for the year		2,670.32	-	-	-	-	-	2,670.32
Other Comprehensive Income :								
Changes in fair value of equity instruments		-	-	-	-	-	13,224.82	13,224.82
Remeasurements on account of post-employment benefit obligations		(2.74)	-	-	-	-	-	(2.74)
<b>Total Comprehensive Income for the year</b>		<b>2,667.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,224.82</b>	<b>15,892.40</b>
Adjustments in retained earnings of Associates/JVs		(25.93)	-	-	-	-	-	(25.93)
Transferred to Statutory reserve fund during the year		(36.71)	-	36.71	-	-	-	-
<b>As at March 31, 2021</b>		<b>13,964.33</b>	<b>0.87</b>	<b>1,224.72</b>	<b>0.00</b>	<b>2,367.52</b>	<b>15,230.48</b>	<b>32,787.92</b>
Profit for the year		1,977.50	-	-	-	-	-	1,977.50
Other Comprehensive Income :								
Changes in fair value of equity instruments		-	-	-	-	-	5,426.45	5,426.45
Remeasurements on account of post-employment benefit obligations		(2.94)	-	-	-	-	-	(2.94)
<b>Total Comprehensive Income for the year</b>		<b>1,974.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,426.45</b>	<b>7,401.01</b>
Transferred to Statutory reserve fund during the year		(72.31)	-	72.31	-	-	-	-
<b>As at March 31, 2022</b>		<b>15,866.58</b>	<b>0.87</b>	<b>1,297.03</b>	<b>0.00</b>	<b>2,367.52</b>	<b>20,656.93</b>	<b>40,188.93</b>
Significant accounting policies	1							
Significant accounting judgements, estimates and assumptions	2							
The notes 1 to 43 form an integral part of these Consolidated financial statements								

As per my attached report of even date,

On behalf of the Board of Directors,

For P. G. BHAGWAT LLP  
(FRN No. 101118W/ W100682)  
Chartered Accountants

B.S. Mitkari  
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S. R. Kshirsagar  
Company Secretary

Place : Pune  
Date : 30<sup>th</sup> May, 2022

Place : Pune  
Date : 30<sup>th</sup> May, 2022



(All amounts are in Rupees millions, except per share data and unless stated otherwise)

**Background:**

BF Investment Company Limited ("the Company") is a public limited company domiciled in India and incorporated in May, 2009 under the provisions of Companies Act, 1956. The equity shares of the Company are listed on two recognized stock exchanges in India i.e. the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is primarily engaged in the business of making investments in Group companies. The registered office of the Company is located at, Mundhwa Pune Cantonment, Pune-411036. The CIN of the Company is L65993PN2009PLC134021. The Company has seven Associates and two joint ventures, together referred as the Group.

These consolidated financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on May 30, 2022.

**1A. Significant Accounting Policies:**

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of preparation**

**(i) Compliance with Ind AS**

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies ( Indian Accounting Standards ) Rules, 2015 as amended thereafter. For all periods up to and including the year ended March 31, 2018, the Group prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies ( Accounts) Rules, 2014 ( Indian GAAP).

**(ii) Historical cost convention**

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value

**(iii) Current versus non-current classification**

The Group presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when,

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

**(iv) Principles of consolidation and equity accounting**

● **Associates**

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

- **Joint Arrangements**

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Group only has joint ventures.

**Joint Ventures**

Interests in joint ventures are accounted for using the equity method (see below), after initially being recognised at cost in the consolidated balance sheet.

- **Equity method**

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group has adopted not to recognize the effects of the transactions recorded in equity of associates and joint ventures outside the statement of profit or loss and other comprehensive income of the associates and joint ventures.

**(b) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions for the Group. Refer note 35 for segment information presented.

**(c) Foreign currency translation**

**Functional and presentation currency**

Items included in the separate financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

**Initial Recognition**

Foreign currency transactions are recorded in Indian currency, by applying the exchange rate between the Indian currency and the foreign currency at the date of transaction.

**Conversion**

Monetary items, designated in foreign currencies are revalued at the rate prevailing on the date of Balance Sheet.

**Exchange Differences**

Exchange differences arising on the settlement and conversion of foreign currency transactions are recognized as income or as expenses in the year in which they arise, except in cases where they relate to the acquisition of qualifying assets, in which cases they were adjusted in the cost of the corresponding asset.

**(d) Interest Income**

Interest income is accrued over the period of the loan / investment.

**(e) Dividends**

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

**(f) Taxes**

**Current tax**

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961. - The management periodically evaluates positions taken in returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

**Deferred Tax**

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in associates when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in associates deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**(g) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Group's cash management.

**(h) Fair value measurement :**

The Group measures financial instruments at fair value on initial recognition.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level inputs that is significant to the fair value measurement as a whole:

- Level 1 - Quoted ( unadjusted ) market prices in active markets for identical assets and liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is un-observable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**(i) 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 equity.

**(j) Financial assets**

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income ( FVTOCI )
- Financial assets at fair value through profit or loss ( FVTPL )

**Financial assets at amortized cost:**

A financial asset is measured at amortized cost if both following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

#### Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following criteria are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are derecognized or reclassified, are subsequently measured at fair value and recognized in other comprehensive income except for interest income, gain/loss on impairment, gain / loss on foreign exchange which is recognized in the statement of profit and loss.

#### Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

In addition, the Group may elect to classify a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). After initial measurement, such financial assets are subsequently measured at fair value in the statement of profit and loss.

#### De-recognition of financial assets

A financial asset is de-recognized when:

- the contractual rights to receive cash flows from the financial asset have expired, or
- The Group has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and either
  - (a) The Group has transferred substantially all the risks and rewards of the asset or
  - (b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g. loans, debt-securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive ( i.e., all cash shortfalls ), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Group is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head "Other Expenses" in the statement of profit and loss.

The Balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-offs criteria, the Group does not de-recognize impairment allowance from the gross carrying amount.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase / origination.

**(k) De-recognition of financial liabilities**

A financial liability (or a part of a financial liability) is de-recognized from its balance sheet when, and only when, it is extinguished i.e., when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

**(l) Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

**(m) Investment Property**

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 initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized

Investment property are depreciated using straight line method over their estimated useful lives.

**Transition to Ind AS**

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment properties recognized as at April 01, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

**(n) Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All directly attributable costs relating to the acquisition and installation of property, plant and equipment are capitalized. All repair and maintenance costs are recognized in statement of profit and loss during the reporting period in which they are incurred.

Subsequent costs are included in the asset's carrying amount as recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for a separate asset is derecognized when replaced.

The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation on additions is provided from the beginning of the month in which the asset is put to use.

Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata basis up to the end of the month prior to the month in which such assets are sold, discarded or demolished.

The useful lives has been determined based on those specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

Depreciation is charged on the basis of useful life of assets on straight line method for furniture & fixtures & on WDV method for car.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the separate statement of profit and loss when the asset is derecognized.

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**(o) Leases**

The determination of whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. The 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**

At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability. A lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The Company uses the practical expedient to apply the requirements of Ind AS 116 to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However, when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty the Company considers that lease to be no longer enforceable. Also according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, the lessee is not required to recognize right-of-use asset and a lease liability. The Company applies both recognition exemptions.

**Right of use asset**

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments.

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

**Lease liability**

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

**Lease modification**

For a lease modification that is not accounted for as a separate lease, the company accounts for the re-measurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

● **Company as Lessor**

A lessor shall classify each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant

periodic rate of return on the net investment outstanding in respect of the lease.

Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. However, if there is no reasonable certainty that the company will obtain possession of the asset upon end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. 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.

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" using modified retrospective approach. Consequently, the Company has recorded lease liability of Rs.9.092 millions calculated as the present value of the remaining lease payments discounted at the incremental borrowing rate. Right of use asset has been recognised at Rs. 8.022 millions determined at net of the amount calculated by applying the standard since the date of the commencement of lease and the resulting depreciation upto the date of adoption. The net effect of initial application of Ind AS 116 has been adjusted to retained earnings of Rs.0.773 millions (net of taxes) as on April 1, 2019.

Due to transition, the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation cost" and "finance cost" for the right-to-use assets and for interest accrued on lease liability respectively, and therefore these expenses for the current period are not comparable to the previous periods disclosed. The adoption of the standard did not have any material impact on the profit for the period as compared to previous periods.

**(p) Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss.

Previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of asset does not exceed its recoverable amount. Such reversal is recognized in statement of profit and loss.

**(q) Trade and other payables**

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

**(r) Provisions and contingent liabilities**

Provisions are recognized when the Group has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. A disclosure for a



contingent liability is made where there is a possible obligation arising out of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation arising out of a past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(s) Paid-up equity**

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**(t) Dividends**

The Group recognizes a liability to make cash or non-cash distributions to equity holders of the Group when distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

**(u) Earnings per share**

**(i) Basic Earnings per Share**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

**(ii) Diluted Earnings per Share**

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**(v) Rounding of amounts:**

All amounts disclosed in these separate financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

**1B. Standards issued but not effective**

The Ministry of Corporate Affairs (MCA) on 5 April 2022, vide Notification dated 23 March 2022 has issued Companies (Indian Accounting Standard) Amendment Rules, 2022 in consultation with the National Financial Reporting Authority (NFRA).

The notification states that these rules shall be applicable from 1 April 2022 and would thus be applicable for the financial year ending 31 March 2023.

The amendments to Ind Ass are intended to keep the Ind Ass aligned with the amendments made in IFRS.

**1. Amendments to Ind AS 16, "Property, Plant and Equipment"**

The amendments to Ind AS 16 issued by the Ministry of Corporate Affairs amends provisions regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

**2. Amendments to Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets"**

The amendments to Ind AS 37 issued by the Ministry of Corporate Affairs amends provisions regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

**3. Amendments to 41, "Agriculture"**

The amendments to Ind AS 41 issued by the Ministry of Corporate Affairs amends provisions to remove a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in Ind AS 41 with those in other Ind AS's.

**4. Amendments to 101, "First-time Adoption of Indian Accounting Standards"**

The amendments to Ind AS 101 issued by the Ministry of Corporate Affairs amends provisions to simplify the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

**5. Ind AS 103, "Business Combination"**

The amendments to Ind AS 103 issued by the Ministry of Corporate Affairs amends provisions to:

- substitute the word 'Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework)' with the words 'Conceptual Framework of Financial Reporting in Ind AS'.
- add to Ind AS 103 a requirement that, for transactions and other events within the scope of Ind AS 37, an acquirer applies Ind AS 37 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination
- add to Ind AS 103 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

**6. Ind AS 109, "Financial Instruments"**

The amendments to Ind AS 109 issued by the Ministry of Corporate Affairs amends provisions to prescribe the treatment of fees involved during exchange between an existing borrower and lender of debt instruments with substantially different terms. The amendment clarifies that if an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability

Following exposure drafts have been issue by the Institute of Chartered Accountants of India:

**1. Amendments to Ind AS 8, "Accounting Policies, Changes in Accounting Estimates and Errors" - Definition of Accounting Estimates**

The exposure draft on amendments to Ind AS 8 issued by the Institute of Chartered Accountants of India proposes amendments to introduces a new definition of 'accounting estimates'. The amendments are designed to clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors.

**2. Amendments to Ind AS 12, "Income Taxes" - Deferred Tax related to Assets and Liabilities arising from a Single Transaction**

The exposure draft on amendments to Ind AS 12 issued by the Institute of Chartered Accountants of India proposes amendments to introduce an exception to the initial recognition exemption in Ind AS 12 whereby an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. The amendments would apply to transactions that occur on or after the beginning of the earliest comparative period presented.

**3. Amendments to:**

Ind AS 1, "Presentation of Financial Statements", Ind AS 34, "Interim Financial Reporting" and Ind AS 107, "Financial Instruments: Disclosures" - Disclosures of Accounting Policies

The exposure draft on amendments to Ind AS 1 issued by the Institute of Chartered Accountants of India proposes amendments whereby an entity will be required to disclose only its material accounting policy information instead of its significant accounting policies. The amendment explain how an entity can identify material accounting policy information. Consequential amendments are proposed for Ind AS 107, Financial Instruments: Disclosures, and Ind AS 34, Interim Financial Reporting.

**4. New Indian Accounting Standard (Ind AS) 117, Insurance Contracts**

The exposure draft of Ind AS 117 is issued by the Institute of Chartered Accountants of India as replacement for Ind AS 104 Insurance Contracts. Further, amendments have also been proposed to the exposure draft to add a transition option relating to comparative information about financial assets presented on initial application of Ind AS 117

The above exposure drafts have not been notified by the Ministry of Corporate Affairs ('MCA') to be applicable from 1 April, 2022 as at the date of approval of these financial statements. On issue of the amendment by MCA, the Company would evaluate the impact of the change in the standalone financial statements.

**2. Significant accounting judgements, estimates and assumptions**

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgments or complexities and of 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 judgments, estimates and assumptions is mentioned below.

Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

#### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### **1. Fair value measurement of unquoted financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 32 for further disclosures.

##### **2. Deferred Tax**

At each balance sheet date, the Group assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax asset could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

(₹ in Mln.s)

Particulars	March 31, 2022	March 31, 2021
<b>Note 3a: Cash and Cash Equivalents</b>		
Balances with Banks		
In current accounts	2.47	3.02
Term deposits with original maturity of less than three months	9.00	220.50
Cash in Hand	0.01	0.00
<b>Total</b>	<u>11.47</u>	<u>223.52</u>

**Note 3b : Bank Balances other (a) above**

Term Deposits with Banks with original maturity of more than 3 months but less than 12 months	1,385.25	807.65
<b>Total</b>	<u>1,385.25</u>	<u>807.65</u>

The Company has not traded or invested in crypto currency or virtual currency during the year.

**Note 4: Loans**

	As on March 31, 2022			As on March 31, 2021		
	Amortised cost	Fair value through profit or loss	Total	Amortised cost	Fair value through profit or loss	Total
<b>(A) Loans</b>						
(i) Intercorporate deposit	86.93	224.10	311.03	109.43	202.21	311.64
Total (A) - Gross	86.93	224.10	311.03	109.43	202.21	311.64
Less: impairment loss allowance	(86.93)	-	(86.93)	(86.93)	-	(86.93)
Total (A) - Net	-	224.10	224.10	22.50	202.21	224.71
<b>(B)</b>						
(i) Unsecured	86.93	224.10	311.03	109.43	202.21	311.64
Total (B) - Gross	86.93	224.10	311.03	109.43	202.21	311.64
Less: impairment loss allowance	(86.93)	-	(86.93)	(86.93)	-	(86.93)
Total (B) - Net	-	224.10	224.10	22.50	202.21	224.71
<b>(C) Loans in India</b>						
Total (C) - Gross	86.93	224.10	311.03	109.43	202.21	311.64
Less: impairment loss allowance	(86.93)	-	(86.93)	(86.93)	-	(86.93)
Total (C) - Net	-	224.10	224.10	22.50	202.21	224.71
Good			224.10			224.71
Doubtful			86.93			86.93

## Note 5A: Investments

Investments	As on March 31, 2022						As on March 31, 2021		
	Quantity in numbers	If Quoted	At fair value		Total	At Cost	At fair value		Total
			Through other comprehensive income	Through profit or loss			Through other comprehensive income	Through profit or loss	
<b>Equity shares:</b>									
Equity Shares of ₹ 2/- each fully paid in Bharat Forge Ltd.	15,614,676	Quoted	10,939.64	-	10,939.64	-	9,305.57	-	9,305.57
Equity Shares of ₹ 5/- each fully paid in BF Utilities Ltd.	1,187,903	Quoted	366.29	-	366.29	-	92.22	-	292.22
Equity Shares of ₹ 2/- each fully paid in Hikal Ltd.	3,273,375	Quoted	1,316.88	-	1,316.88	-	469.89	-	469.89
Equity Shares of ₹ 10/- each fully paid in Kalyani Forge Ltd.	569,600	Quoted	99.08	-	99.08	-	109.93	-	109.93
Equity Shares of ₹ 10/- each fully paid in Saarloha Advanced Materials Pvt. Ltd. (previously known as Kalyani Carpenter Special Steels Pvt. Ltd.)	500		0.01	-	0.01	-	0.01	-	0.01
Equity Shares of ₹ 10/- each fully paid in Khed Economic Infrastructure Pvt. Ltd.	71,362,260		1,534.29	-	1,534.29	-	1,096.12	-	1,096.12
Equity Shares of ₹ 10/- each fully paid in Kalyani Maxion Wheels Ltd.	2,399,998		465.82	-	465.82	-	437.14	-	437.14
<b>Total Equity Shares</b>			14,722.01	-	14,722.01	-	11,710.89	-	11,710.89
<b>Preference shares:</b>									
7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited. <sup>(b)</sup>	36,042,440		-	355.93	355.93	-	-	369.90	369.90
8% Cumulative Redeemable Preference Shares of ₹ 10/- each, fully paid in Baramati Speciality Steels Ltd.			-	-	-	-	-	-	-
Preference shares in Associate									
9% Cumulative Redeemable Non Convertible Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Pvt. Ltd. <sup>(a)</sup>	4,000,000		-	528.10	528.10	-	-	528.46	528.46
1% Non Cumulative Compulsorily Convertible Preference Shares of ₹ 10/- each, fully paid in Kalyani Financial services Ltd.	6,860,000		-	57.42	57.42	-	-	52.20	52.20
<b>Total Preference Shares in Associates:</b>			-	941.46	941.46	-	-	950.56	950.56
<b>Debentures in Associate:</b>									
0% Fully Convertible Debentures of ₹ 100/- each fully paid of Kalyani Financial Services Ltd. <sup>(c)</sup>	6,636,000		796.32	-	796.32	-	185.81	-	185.81
<b>Total Debentures:</b>			796.32	-	796.32	-	185.81	-	185.81
<b>Total - Gross (A)</b>			15,518.33	941.46	16,459.79	-	11,896.70	950.56	12,847.26
(i) investments outside india			-	-	-	-	-	-	-
(ii) investments in India			15,518.33	941.46	16,459.79	-	11,896.70	950.56	12,847.26
Less: Allowance for impairment loss			-	-	-	-	-	-	-
<b>Total Investments</b>			15,518.33	941.46	16,459.79	-	11,896.70	950.56	12,847.26
Quoted shares valued at Fair Value through OCI					12,721.89				10,177.62
a) 40,000,000 9% Cumulative Redeemable Non Convertible Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Pvt. Ltd. are redeemable at par on or before 25 <sup>th</sup> October, 2036.									
b) 21,042,440 7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 21 <sup>st</sup> December, 2024. 3,000,000 7% Cumulative Optionally Convertible Non Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 5 <sup>th</sup> September, 2025. 12,000,000 7% Cumulative Optionally Convertible Non Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited are redeemable at par on or before 26 <sup>th</sup> September, 2026.									
c) Of the 6,636,000 0% Fully Convertible Debentures (FCDs) of ₹ 100/- each, fully paid of Kalyani Financial Services Limited, 4,980,346 FCDs are compulsorily convertible into such number of fully paid up Equity Shares of ₹ 10/- each, at such a price as shall be fixed by the said Company on or before 27 <sup>th</sup> September, 2022. 398,801 FCDs are compulsorily convertible into Equity Shares of ₹ 10/- each, fully paid up at a premium of ₹ 20/- per share on or before 30 <sup>th</sup> March, 2024 and 1,256,853 FCDs are compulsorily convertible into Equity Shares of ₹ 10/- each, fully paid up at a premium of ₹ 20/- per share on or before 31 <sup>st</sup> March, 2024.									

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

<b>Note 5B: Investments accounted using Equity Method</b>				
				(₹ in Mln.s)
Investments	Quantity in numbers	If Quoted	As at March 31, 2022	As at March 31, 2021
<b>Equity Shares in Associates</b>				
Equity Shares of ₹ 5/- each, fully paid in Kalyani Steels Ltd.	17,052,421	Quoted	3,721.18	2,869.48
Equity Shares of ₹ 10/- each fully paid in KSL Holdings Pvt. Ltd.	32,999,000		18,153.43	15,652.69
Equity Shares of ₹ 10/- each fully paid in Truimphant Special Alloys Pvt. Ltd. (previously known as Carpenter Kalyani Special Alloys Pvt. Ltd.)	3,195,397		7.27	6.91
Equity Shares of ₹ 10/- each fully paid in Kalyani Financial Services Ltd.	2,940,000		196.37	80.57
Equity Shares of ₹ 10/- each fully paid in Nandi Engineering Ltd.	25,000		0.25	0.25
Equity Shares of ₹ 10/- each fully paid in Synise Technologies Ltd.	1,131,793		55.85	55.85
<b>Total Equity shares in associates</b>			<b>22,134.35</b>	<b>18,665.75</b>
<b>Equity Shares in Joint Venture</b>				
Equity Shares of ₹ 10/- each fully paid in Automotive Axles Ltd.	5,367,803	Quoted	2,105.00	1,866.99
Equity Shares of ₹ 10/- each fully paid in Meritor HVS India Ltd.	1,190,694		1,127.56	912.87
<b>Total Equity shares in joint ventures</b>			<b>3,232.57</b>	<b>2,779.86</b>
<b>Gross Investments accounted using Equity Method</b>			<b>25,366.91</b>	<b>21,445.61</b>
<b>Less: Allowance for impairment loss</b>			<b>(56.10)</b>	<b>(56.10)</b>
<b>Net Investments accounted using Equity Method</b>			<b>25,310.81</b>	<b>21,389.51</b>
(i) Gross investments outside india			-	-
(ii) Gross investments in India			<b>25,366.91</b>	<b>21,445.61</b>

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	As at March 31, 2022	As at March 31, 2021
<b>Note 6: Other financial assets</b>		
Interest and dividend receivable	8.35	7.18
Less: Provision for Doubtful dividend and Interest Receivable	(1.45)	(1.45)
<b>Net Interest receivable</b>	<u>6.89</u>	<u>5.74</u>
	266.31	266.51
Other financial assets	-	-
<b>Total</b>	<u><u>273.20</u></u>	<u><u>272.25</u></u>
<b>Note 7 : Deferred Tax Asset/liabilities (net)</b>		
Deferred tax asset (net)	112.21	68.15
<b>Total deferred tax asset (net)</b>	<u>112.21</u>	<u>68.15</u>
Deferred tax liability (net) on distributable profits of associates and joint ventures	3,539.48	2,996.98
<b>Total deferred tax liability (net)</b>	<u>3,539.48</u>	<u>2,996.98</u>
<b>Changes in Deferred Tax Assets/ Liabilities in Profit and Loss [charged / (credited) during the year]</b>		
<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
<b>Deferred tax liabilities</b>		
On account of temporary difference		
Depreciation and amortisation		
Distributable profits of associates and joint ventures	542.50	826.78
<b>Deferred tax assets</b>		
On account of temporary difference		
Depreciation and amortisation	0.12	(0.52)
Deferred tax asset on fair valuation of preference shares, loans and Lease	(5.17)	23.49
<b>Total</b>	<u>537.45</u>	<u>849.75</u>
<b>Changes in Deferred Tax Assets/ Liabilities in Other Comprehensive income [charged / (credited) during the year]</b>		
Deferred tax on equity shares	(39.01)	(23.55)
<b>Total</b>	<u>(39.01)</u>	<u>(23.55)</u>

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)		
	Freehold land	Buildings	Total
<b>Note 8: Investment property</b>			
Gross block as at March 31, 2020	125.85	7.66	133.51
Additions	-	-	-
Adjustments	-	-	-
Gross block as at March 31, 2021	125.85	7.66	133.51
Additions	-	-	-
Adjustments	-	-	-
Gross block as at March 31, 2022	125.85	7.66	133.51
Closing accumulated depreciation as at March 31, 2020	-	3.20	3.20
Depreciation charge	-	0.13	0.13
Closing accumulated depreciation as at March 31, 2021	-	3.33	3.33
Depreciation charge	-	0.13	0.13
Closing accumulated depreciation as at March 31, 2022	-	3.46	3.46
Net carrying amount as at March 31, 2022	125.85	4.20	130.05
Net carrying amount as at March 31, 2021	125.85	4.33	130.17

Amount recognised in profit and loss for investment properties

Particulars	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation	0.13	0.13
<b>Total</b>	<b>0.13</b>	<b>0.13</b>

Fair Value of investment properties

Particulars	Freehold land	Buildings
As on March 31, 2022	865.80	12.11
As on March 31, 2021	865.80	18.00

Fair Valuation for Free hold land treated as Investment property is based on valuation by registered valuer as defined under rule 2 of companies (Registered valuer and valuation) Rule 2017 . The main input used for valuation derived as on 31st March 2022 is current price in active market for similar properties and if not available then ready reckon rate. Fair valuation of building treated as Investment property is determined by the Company based on market rate available on online portal. All resulting fair value estimates for investment properties are included in Level 2.



Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)			
	Computer	Vehicles	Furniture and Fixtures	Total
<b>Note 9: Property, plant and equipment</b>				
Gross block as at March 31, 2020	-	-	10.91	10.91
Additions	-	18.55	-	18.55
Transfers	-	-	-	-
Disposals / Adjustments	-	-	-	-
<b>Gross Block as at March 31, 2021</b>	<b>-</b>	<b>18.55</b>	<b>10.91</b>	<b>29.46</b>
Additions	0.06	-	16.30	16.37
Transfers	-	-	-	-
Disposals / Adjustments	-	-	-	-
<b>Gross Block as at March 31, 2022</b>	<b>0.06</b>	<b>18.55</b>	<b>27.21</b>	<b>45.82</b>
<b>Accumulated Depreciation :</b>				
As at March 31, 2020	-	-	5.29	5.29
For the year	-	4.29	1.04	5.33
Disposals/Adjustments	-	-	-	-
<b>As at March 31, 2021</b>	<b>-</b>	<b>4.29</b>	<b>6.33</b>	<b>10.62</b>
For the year	0.02	4.46	1.73	6.21
Disposals/Adjustments	-	-	-	-
<b>As at March 31, 2022</b>	<b>0.02</b>	<b>8.75</b>	<b>8.06</b>	<b>16.83</b>
<b>Net Block</b>				
As at March 31, 2021	-	14.26	4.58	18.84
As at March 31, 2022	0.04	9.80	19.15	28.99

i) The information relating to Gross block, accumulated Depreciation and Impairment if any, has been disclosed as an additional information since the Group has adopted deemed cost exemption under Ind AS 101.

**Note 10: Right to Use Asset (ROUA)**

Particulars	ROUA(Building)	Total
Gross block as at March 31, 2020	8.02	8.02
Additions	-	-
Transfers	-	-
Disposals / Adjustments	8.02	8.02
<b>Gross Block as at March 31, 2021</b>	<b>0.00</b>	<b>0.00</b>
Additions	-	-
Transfers	-	-
Disposals / Adjustments	-	-
<b>Gross Block as at March 31, 2022</b>	<b>0.00</b>	<b>0.00</b>
<b>Accumulated Depreciation :</b>		
As at March 31, 2020	6.42	6.42
For the year	1.60	1.60
Disposals/Adjustments	8.02	8.02
<b>As at March 31, 2021</b>	<b>(0.00)</b>	<b>(0.00)</b>
For the year	-	-
Disposals/Adjustments	-	-
<b>As at March 31, 2022</b>	<b>(0.00)</b>	<b>(0.00)</b>
<b>Net Block</b>		
As at March 31, 2021	-	-
As at March 31, 2022	-	-

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	As at March 31, 2022	As at March 31, 2021
<b>Note 11 : Other non-financial assets</b>		
Prepaid expenses	0.12	0.04
Balances with government	-	-
<b>Total</b>	<u>0.12</u>	<u>0.04</u>

**Note 12: Financial Liabilities - Trade payables**

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.02
<b>Total</b>	<u>-</u>	<u>0.02</u>

The Company has compiled this information based on the current information in its possession as at March 31, 2022, no supplier has intimated the Company about its status as Micro and Small Enterprises or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006.

**Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2022**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
i) MSME	-	-	-	-	-	-
ii) Others	-	-	-	-	-	-
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-

**Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2021**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
i) MSME	-	-	-	-	-	-
ii) Others	0.02	-	-	-	-	0.02
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Note 13: Other Financial Liabilities</b>		
Provision for expense	14.37	7.80
<b>Total</b>	<u>14.37</u>	<u>7.80</u>

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	As at March 31, 2022	As at March 31, 2021
<b>Note 14: Income Tax Liabilities</b>		
Income Tax Liabilities (net of advance tax)	3.76	0.87
<b>Total</b>	<b>3.76</b>	<b>0.87</b>

**Note 15: Other non financial liabilities**

Statutory dues	1.11	0.17
<b>Total</b>	<b>1.11</b>	<b>0.17</b>

**Note 16: Share capital**

**(a) Authorised share capital**

Particulars	Equity shares	Equity shares
<b>As at March 31, 2022 :</b>		
Number of shares	40,000,000	40,000,000
Face value per share (Rupees)	5.00	5.00
Amount (Rs. in millions)	200.00	200.00
<b>As at March 31, 2021 :</b>		
Number of shares	40,000,000	40,000,000
Face value per share (Rupees)	5.00	5.00
Amount (Rs. in millions)	200.00	200.00

**(b) Terms/ rights attached to equity shares**

The Company has only one class of issued equity shares having a par value of Rs.5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive surplus assets of the Company, remaining after distribution of all preferential amounts.

**(c) Issued and subscribed equity share capital**

Particulars	(₹ in Mln.s)		
	Number of shares	Number of shares	Amount
As at March 31, 2022	37,667,628	37,667,628	188.34
Changes in equity share capital	-	-	-
As at March 31, 2021	37,667,628	37,667,628	188.34
Changes in equity share capital	-	-	-

**(e) Details of shareholders holding more than 5% shares in the Company**

Particulars	Ajinkya Investment & Trading Company	Sundaram Trading & Investment Private Limited	KSL Holdings Pvt. Ltd.
<b>As at March 31, 2022</b>			
% of holding	27.32%	25.99%	13.42%
Number of shares	10,292,103	9,793,068	5,054,091
<b>As at March 31, 2021</b>			
% of holding	27.32%	25.99%	13.42%
Number of shares	10,292,103	9,793,068	5,054,091

**Shares held by promoters of the Company:**

S. N.	Promoter Name	As at March 31, 2022		As at March 31, 2021		% Change
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Ajinkya Investment And Trading Company	10,292,103	27.32%	10,292,103	27.32%	0.00%
2	Sundaram Trading And Investment Pvt. Ltd.	9,793,068	25.99%	9,793,068	25.99%	0.00%
3	Ksl Holdings Private Limited	5,054,091	13.42%	5,054,091	13.42%	0.00%
4	PIH Finvest Company Limited	1,424,885	3.78%	1,424,885	3.78%	0.00%
5	Jannhavi Investment Private Limited	458,514	1.22%	458,514	1.22%	0.00%
6	Rajgad Trading Company Pvt. Ltd.	151,674	0.40%	151,674	0.40%	0.00%
7	Kalyani Consultants Pvt. Ltd.	149,500	0.40%	149,500	0.40%	0.00%
8	Kalyani Exports & Investments Pvt. Ltd.	145,250	0.39%	-	0.00%	100.00%
9	Aboli Investments Pvt. Ltd.	136,900	0.36%	-	0.00%	100.00%
10	Dandakaranya Investment And Trading Pvt. Ltd.	95,000	0.25%	95,000	0.25%	0.00%
11	Gaurishankar Neelkanth Kalyani	63,779	0.17%	63,779	0.17%	0.00%
12	Campanula Investment & Finance Pvt. Ltd.	61,389	0.16%	61,389	0.16%	0.00%
13	Cornflower Investment & Finance Pvt. Ltd.	41,900	0.11%	41,900	0.11%	0.00%
14	Amit Babasaheb Kalyani	28,220	0.07%	28,220	0.07%	0.00%
15	Babasaheb Neelkanth Kalyani	7,212	0.02%	7,212	0.02%	0.00%
16	Hastinapur Investment & Trading Pvt. Ltd.	6,267	0.02%	6,267	0.02%	0.00%
17	Sunita Babasaheb Kalyani	4,000	0.01%	4,000	0.01%	0.00%
18	Rohini Gaurishankar Kalyani	2,000	0.01%	2,000	0.01%	0.00%
19	Dronacharya Investment & Trading Pvt. Ltd.	5,643	0.01%	5,643	0.01%	0.00%
20	Mira Kheny	700	0.00%	700	0.00%	0.00%
21	Ashok Kumar Kheny	581	0.00%	581	0.00%	0.00%
22	Sugandha Jai Hiremath	400	0.00%	400	0.00%	0.00%
23	Deeksha Amit Kalyani	50	0.00%	50	0.00%	0.00%
		<b>27,923,126</b>	<b>74.13%</b>	<b>27,640,976</b>	<b>73.38%</b>	

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	As at March 31, 2022	As at March 31, 2021
<b>Note 17: Reserves and Surplus</b>		
Retained earnings	13,964.33	11,404.54
Add: Profit for the year	1,977.51	2,670.32
Adjustments in retained earnings of Associates/JVs	-	(25.93)
Reclass of Remeasurements on account of post-employment benefit obligations due to prior period error	-	(45.15)
Remeasurements on account of post-employment benefit obligations	(2.94)	(2.74)
Less: Transfer to statutory reserve fund	(72.31)	(36.71)
	<u>15,866.59</u>	<u>13,964.33</u>
General Reserve as at the beginning and end of the year	0.87	0.87
Capital reserve as at the beginning and end of the year	2,367.52	2,367.52
Capital Redemption reserve as at the beginning and end of the year	0.00	0.00
Reserve Fund as at the beginning of the year	1,224.72	1,188.01
Add:	72.31	36.71
Reserve Fund as at the end of the year	1,297.03	1,224.72
FVOCI Equity investments		
As at the beginning of the year net of deferred taxes	15,230.48	1,960.51
Reclass of Remeasurements on account of post-employment benefit obligations due to prior period error	-	45.15
Deferred Tax Impact (FVOCI)	39.01	23.55
Add: Fair value gains/losses for the year	5,387.44	13,201.27
As at the end of the year	<u>20,656.93</u>	<u>15,230.48</u>
<b>Total</b>	<u><u>40,188.93</u></u>	<u><u>32,787.92</u></u>

**Nature and purpose of reserves:**

- i **General reserve** : Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in General Reserve since transfer under the scheme of arrangement.
- ii **Capital reserve** : It is the reserve pertaining to the investment undertaking transferred to the Resultant Company, i.e. BF Investment Ltd., Consequent to the scheme of arrangement approved by High Court of judicature, Mumbai during F.Y. 2009-2010.
- iii **Capital Redemption Reserve** : An earstwhile subsidiary of BF Utilities Ltd. (amalgamated company) had preference capital. At the time of redempton of said preference capital, Redempton reserve was created, which has since got transferred to BF Investment by means of scheme of arrangement.
- iv **Reserve Fund** : Under sec 45IC(1) of RBI act, every NBFC has to transfer 20% of it's post tax profits to acorpus termed as Reserve Fund.
- v **FVTOCI Equity investment reserve**  
The Company has elected to recognise changes in the fair value of investment in equity shares in other comprehensive income. These changes are accumulated within the FVTOCI investment reserve within equity. The Company will transfer amounts from the said reserve to retained earnings when the relevant equity shares are de-recognised.

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Note 18: Interest Income</b>		
On Financial Assets measured at Amortised Cost		
Interest Received on Bank Deposits	66.39	47.34
Interest received on intercorporate deposit	0.91	1.11
<b>Total</b>	<u>67.30</u>	<u>48.45</u>
<b>Note 19: Dividend Income</b>		
Dividend received on shares investments	109.06	22.66
<b>Total</b>	<u>109.06</u>	<u>22.66</u>
<b>Note 20: Net Gain/(loss) on fair value changes</b>		
Net gain/(loss) on financial instruments at fair value through profit or loss		
- preference shares	(9.10)	73.14
- Loans	32.16	19.85
Total Net gain/(loss) on fair value changes		
Fair Value Changes:		
- Realised	-	-
- Unrealised	23.06	92.99
<b>Total Net gain/(loss) on fair value changes</b>	<u>23.06</u>	<u>92.99</u>
<b>Note 21: Other Income</b>		
Miscellaneous Income	-	0.72
Provision written back	0.02	4.27
<b>Total</b>	<u>0.02</u>	<u>4.99</u>
<b>Note 22: Employee Benefit Expenses (refer Note 29)</b>		
As reimbursement to companies from where the officers are on deputation		
Salaries and wages	5.83	4.79
Contribution to provident and other funds	0.15	0.14
Staff welfare expenses	0.09	0.04
<b>Total</b>	<u>6.06</u>	<u>4.96</u>
<b>Note 23: Finance Cost</b>		
Other interest	-	0.01
Finance cost on leases	-	0.04
<b>Total</b>	<u>-</u>	<u>0.05</u>

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Note 24: Depreciation</b>		
Depreciation	6.21	5.33
Depreciation on Right to Use of Asset	-	1.60
Depreciation on Investment Property	0.13	0.13
<b>Total</b>	<u>6.34</u>	<u>7.06</u>
<b>Note 25: Other Expenses</b>		
Rent , rates and taxes	3.28	5.73
Repairs and maintenance	0.37	0.24
Communication expenses	0.02	0.02
Printing and stationery	0.01	0.06
Advertisement and publicity	0.27	0.21
Director's fees, allowances and expenses	0.26	0.25
Auditor's fees and expenses (refer note 28)	0.75	0.82
Insurance	-	0.01
Brand Fees	0.56	0.56
Professional Fees	14.44	17.10
Commission to Directors	14.00	5.00
CSR Expenditure	-	18.50
Other expenditure	3.05	4.72
<b>Total</b>	<u>37.00</u>	<u>53.23</u>
<b>Note 26: Tax Expense</b>		
Current tax	120.00	50.44
Deferred tax expense	537.45	849.75
Tax for earlier years	-	0.02
<b>Total</b>	<u>657.45</u>	<u>900.21</u>

Company had provided Income Tax for the year ended on 31<sup>st</sup> March, 2021 and remeasured its Deferred Tax Asset / Liability on the basis of rates prescribed under section 115BAA of the Income Tax Act, 1961 exercising the option permitted under that section.

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

(₹ in Mln.s)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Reconciliation of tax expense and accounting profit multiplied by statutory tax rate</b>		
Profit before tax	2,634.96	3,570.53
Applicable tax rate	25.17%	25.17%
Computed tax expense	663.22	898.70
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income :</b>		
Non-deductible expenses	1.39	8.75
Income exempt from tax		
Others	(7.17)	(7.27)
Tax in respect of earlier years	-	0.02
<b>Income tax expense</b>	<b>657.45</b>	<b>900.21</b>

**Note 27: Earnings per share**

Net profit / (loss) after tax	1,977.50	2,670.32
Weighted average number of equity shares	37,667,628	37,667,628
<b>Basic and diluted earning per share of nominal value of Rs. 5/- each</b>	<b>52.50</b>	<b>70.89</b>

**Note 28: Payment to auditors**

As auditor:		
Audit fees	0.63	0.63
Tax Audit	0.04	0.04
Certification fees	0.03	0.03
Reimbursement of out of pocket expenses	0.06	0.13
<b>Total</b>	<b>0.75</b>	<b>0.82</b>

**Note 29: Employee benefits**

Employee benefits comprise amounts paid for the services of the Key Management Personnel on deputation. No separate provisions of retirement benefits or privilege leave benefits of such employees are recognized in the books of the Company.



**Note 30: Related party transactions**

**A) Name of the related parties and nature of relationship**

**(1) Names of the related party and nature of relationship where control/ significant influence exists**

a) Associate Company	Ownership interest held by the Company	
	March 31, 2022	March 31, 2021
i Kalyani Steels Limited	39.06%	39.06%
ii KSL Holdings Private Limited	42.52%	42.52%
iii Triumphant Special Alloys Pvt. Ltd. (previously known as Carpenter Kalyani Special Alloys Pvt. Ltd)	45.51%	45.51%
vi Kalyani Financial Services Limited	49.00%	49.00%
v Nandi Engineering Limited	40.00%	40.00%
vi Synise Technologies Limited	46.77%	46.77%

The principal place of business of the associate is India and the Company has consolidated its share of profit in associate using equity method

b) Joint Venture	Ownership interest held by the Company	
	March 31, 2022	March 31, 2021
i Automotive Axles Limited	35.52%	35.52%
ii Meritor (HVS) India Limited	48.99%	48.99%

The principal place of business of the Joint Venture is India and the Company has consolidated its share of profit in Joint Venture using equity method.

**(2) Key Management Personnel**

- i Mr. J. G. Patwardhan, the Chief Executive Officer and Chief Financial Officer
- ii Mr. S. R. Kshirsagar, the Company Secretary
- iii Mr. Amit B. Kalyani, Director
- iv Mr. B. B. Hattarki, Director
- v Mr. M. U. Takale, Director
- vi Mr. B. S. Mitkari, Director
- vii Mr. S.G. Joglekar, Director
- viii Ms. A. A. Sathe, Director

**(3) Enterprise where in the Company is an Associate :**

- i Ajinkya Investment & Trading Company
- ii Sundaram Trading & Investment Private Limited

**(4) Other related parties with whom transactions have taken place during the year:**

- a) Entities under common control
  - i) Bharat Forge Limited
  - ii) Hikal Limited
  - iii) Kalyani TechnoForge Ltd.
  - iv) Baramati Speciality Steels Ltd
  - v) BF Utilities Limited
  - vi) Khed Economic Infrastructure Private Limited
  - vii) Kalyani Strategic Management Services Pvt Ltd

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>B) Details of transactions with and balances outstanding of related parties:</b>		
<b>a) Dividend Received</b>		
<b>Entities under common control</b>		
i) Bharat Forge Limited	54.65	-
ii) Hikal Limited	7.20	3.93
iii) Kalyani TechnoForge Ltd.	46.34	-
iv) Baramati Speciality Steels Ltd	-	18.16
<b>Total</b>	<u>108.19</u>	<u>22.09</u>
<b>b) Redemption of Preference shares</b>		
<b>Entities under common control</b>		
i) Baramati Speciality Steels Ltd	-	93.00
<b>Total</b>	<u>-</u>	<u>93.00</u>
<b>c) Repayment of loan received</b>		
<b>Entities under common control</b>		
i) BF Utilities Limited	10.27	6.10
ii) Khed Economic Infrastructure Private Limited	22.50	-
<b>Total</b>	<u>32.77</u>	<u>6.10</u>
<b>d) Loan given</b>		
<b>Entities under common control</b>		
i) Khed Economic Infrastructure Private Limited	-	22.50
<b>Total</b>	<u>-</u>	<u>22.50</u>
<b>e) Interest received on loan given</b>		
<b>Entities under common control</b>		
i) Khed Economic Infrastructure Private Limited	0.91	1.12
<b>Total</b>	<u>0.91</u>	<u>1.12</u>
<b>f) Rent paid</b>		
<b>Entities under common control</b>		
i) Kalyani Global Engineering Private Limited	2.40	1.40
<b>Total</b>	<u>2.40</u>	<u>1.40</u>
<b>g) Branding fees paid</b>		
<b>Entities under common control</b>		
i) Kalyani Strategic Management Services Pvt Ltd	0.50	0.50
<b>Total</b>	<u>0.50</u>	<u>0.50</u>
<b>h) Remuneration to Key Managerial Person*</b>		
i) Mr. J. G. Patwardhan, the Chief Financial Officer and Chief Executive Officer	4.51	3.63
ii) Mr. S. R. Kshirsagar, the Company Secretary	1.53	1.33
<b>Total</b>	<u>6.04</u>	<u>4.96</u>

\*Reimbursed to BF Utilities Ltd. and Kalyani Global Engineering Pvt. Ltd., respectively, being on deputation from them

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>B) Details of transactions with and balances outstanding of related parties (continued):</b>		
<b>g) Director's sitting fees</b>		
i) Mr. Amit B. Kalyani, Director	0.04	0.04
ii) Mr. B. B. Hattarki, Director	0.04	0.04
iii) Mr. M. U. Takale, Director	0.04	0.04
iv) Ms. A. A. Sathe, Director	0.01	0.01
v) Mr. B. S. Mitkari, Director	0.04	0.04
vi) Mr. S.G. Joglekar, Director	0.04	0.04
<b>Total</b>	<u>0.21</u>	<u>0.21</u>
<b>h) Director's commission</b>		
i) Mr. Amit B. Kalyani, Director	10.00	2.50
ii) Mr. B. B. Hattarki, Director	0.80	0.50
iii) Mr. M. U. Takale, Director	0.80	0.50
iv) Ms. A. A. Sathe, Director	0.80	0.50
v) Mr. B. S. Mitkari, Director	0.80	0.50
vi) Mr. S.G. Joglekar, Director	0.80	0.50
<b>Total</b>	<u>14.00</u>	<u>5.00</u>
<b>Balances with related parties</b>		
<b>a) Director's commission payable</b>		
i) Mr. Amit B. Kalyani, Director	10.00	2.50
ii) Mr. B. B. Hattarki, Director	0.80	0.50
iii) Mr. M. U. Takale, Director	0.80	0.50
iv) Mr. B. S. Mitkari, Director	0.80	0.50
v) Mr. S.G. Joglekar, Director	0.80	0.50
vi) Ms. A. A. Sathe, Director	0.80	0.50
<b>Total</b>	<u>14.00</u>	<u>5.00</u>
<b>b) Loan/ security deposit receivable (after adjusting fair valuation impact)</b>		
<b>Entities under common control</b>		
i) Nandi Economic Corridor Enterprises Limited	107.08	97.35
ii) Khed Economic Infrastructure Private Limited	265.00	287.50
iii) Nandi Infrastructure Corridor Enterprise Ltd	2.77	2.52
iv) BF Utilities Limited	114.25	102.34
v) Kalyani Strategic Management Services Pvt Ltd	1.30	1.30

The above transactions are at arm's length, and the commission payable is unsecured.

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

(₹ in Mln.s)

**Note 31A: Interests in associates and joint ventures**

Name of entity	Kalyani Steels Limited	KSL Holdings Private Limited	Truimphant Special Alloys Private Limited	Kalyani Financial Services Limited	Meritor (HVS) India Limited	Automotive Axles Limited
Place of business	Pune, India	Pune, India	Pune, India	Pune, India	Mysuru, India	Mysuru, India
% of ownership interest	39.06%	42.52%	45.51%	49.00%	48.99%	35.52%
Relationship	Associate	Associate	Associate	Associate	Joint Venture	Joint Venture
Accounting method	Equity method	Equity method	Equity method	Equity method	Equity method	Equity method
Quoted fair value						
March 31, 2022	5,054.34	NA	NA	NA	NA	9,201.49
March 31, 2021	5,433.75	NA	NA	NA	NA	5,674.84
Carrying amount						
March 31, 2022	3,721.18	18,153.43	7.27	196.37	1,127.56	2,105.00
March 31, 2021	2,869.48	15,652.69	6.91	80.57	912.87	1,866.99

**Commitments and contingent liabilities in respect of associates and joint ventures**

	March 31, 2022	March 31, 2021
<b>Commitments :</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	579.82	430.06
<b>Total Commitments:</b>	<u>579.82</u>	<u>430.06</u>
<b>Contingent liabilities :</b>		
Associates	477.56	381.56
Joint Ventures	4.14	2.64
<b>Total Contingent liabilities</b>	<u>481.70</u>	<u>384.20</u>

**Summarised financial information for associates and joint ventures.**

**Summarised balance sheet (Associates)**

	Kalyani Steels Limited		KSL Holdings Private Limited		Truimphant Special Alloys Private Limited		Kalyani Financial Services Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Total non-current assets	6,999.74	6,220.86	55,244.63	48,665.84	0.63	0.63	1,534.80	1,283.40
Total current assets	15,575.43	10,283.70	6,039.93	4,984.60	12.94	12.11	2.23	2.39
Total non-current liabilities	2,221.87	619.11	13,621.43	12,137.62	-	-	44.96	30.00
Total current liabilities	6,678.68	4,391.34	3,919.68	3,650.70	0.07	0.04	0.05	0.08
<b>Net Assets</b>	<b>13,674.62</b>	<b>11,494.11</b>	<b>43,743.45</b>	<b>37,862.05</b>	<b>13.49</b>	<b>12.70</b>	<b>1,492.02</b>	<b>1,255.71</b>

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

(₹ in Mln.s)

## Summarised balance sheet (Joint ventures)

	Meritor (HVS) India Limited		Automotive Axles Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Total non-current assets	94.08	99.94	2,903.26	3,108.27
Total current assets	5,422.56	4,266.29	7,547.83	6,365.72
Cash and cash equivalents	973.08	737.37	741.98	726.02
Other assets	4,449.48	3,528.92	6,805.85	5,639.70
Total non-current liabilities	-	-	268.68	284.80
Financial liabilities (excluding trade payables)	-	-	172.10	234.48
Other liabilities	-	-	96.58	50.32
Total current liabilities	3,420.65	2,708.56	3,971.80	3,648.64
Financial liabilities (excluding trade payables)	4.43	17.71	75.75	304.18
Other liabilities	145.93	68.56	443.96	439.61
Net Assets	2,095.99	1,657.67	6,210.61	5,540.55

## Summarised statement of profit and loss (Associates)

	Kalyani Steels Limited		KSL Holdings Private Limited		Truimphant Special Alloys Private Limited		Kalyani Financial Services Limited	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Revenue	17,060.30	11,880.40	16,464.56	17,742.82	-	-	-	-
Profit for the year	2,477.19	1,899.83	2,029.74	5,781.00	0.79	0.49	(0.69)	(0.25)
Other comprehensive income	30.73	(0.18)	3,851.59	17,079.47	-	-	237.00	(27.16)
Total comprehensive income	2,507.92	1,899.65	5,881.33	22,860.47	0.79	0.49	236.31	(27.41)
Dividends received	127.89	-	-	-	-	-	-	-

## Summarised profit and loss (Joint ventures)

	Meritor (HVS) India Limited		Automotive Axles Limited	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
Revenue	13720.25	8937.56	14,906.19	9,055.74
Interest Income	2.7	4.77	29.66	54.77
Depreciation and amortisation	19.87	21.18	364.18	360.03
Interest expense	3.08	2.76	24.67	29.69
Income tax expense	267.21	133.21	256.92	74.35
Profit for the year	796.37	379.08	743.58	227.30
Other comprehensive income	-2.06	2.05	(5.50)	5.96
Total comprehensive income	794.31	381.13	738.08	233.26
Dividends received	174.44	148.90	24.16	4.29

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

(₹ in Mln.s)

## Reconciliation to carrying amounts (Associates)

	Kalyani Steels Limited		KSL Holdings Private Limited		Truimphant Special Alloys Private Limited		Kalyani Financial Services Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening net assets	11,494.11	9,594.46	37,862.12	15,097.57	12.70	12.21	1,255.69	1,283.10
Profit for the year	2,477.19	1,899.83	2,029.74	5,781.00	0.79	0.49	(0.69)	(0.25)
Other comprehensive income	30.73	(0.18)	3,851.59	17,079.47	-	-	237.00	(27.16)
Total Comprehensive Income	2,507.92	1,899.65	5,881.33	22,860.47	0.79	0.49	236.31	(27.41)
Dividends paid	(327.41)	-	-	-	-	-	-	-
Adjustments in retained earnings of Associates/JVs	-	-	-	(95.99)	-	-	-	-
Closing net assets	13,674.62	11,494.11	43,743.45	37,862.12	13.49	12.70	1,492.00	1,255.69
Group's share in %	39.06%	39.06%	42.52%	42.52%	45.51%	45.51%	49.00%	49.00%
Group's share in INR	5,341.29	4,489.59	18,599.66	16,098.95	6.15	5.79	731.08	615.28
Goodwill/(Capital Reserve)	(1,620.11)	(1,620.11)	(446.26)	(446.26)	1.12	1.12	(534.71)	(534.71)
Carrying amount	3,721.18	2,869.48	18,153.43	15,652.69	7.27	6.91	196.37	80.57

## Reconciliation to carrying amounts (Joint Ventures)

	Meritor (HVS) India Limited		Automotive Axles Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening net assets	1,657.67	1,580.42	5,540.55	5,326.13
Profit for the year	796.37	379.08	743.58	227.30
Other comprehensive income	(2.06)	2.05	(5.50)	5.96
Total Comprehensive Income	794.31	381.13	738.08	233.26
Dividends paid	(355.99)	(303.88)	(68.01)	(12.08)
Adjustments in retained earnings of Associates/JVs	-	-	-	(6.76)
Closing net assets	2,095.99	1,657.67	6,210.61	5,540.55
Group's share in %	48.99%	48.99%	35.52%	35.52%
Group's share in INR	1,026.96	812.26	2,206.01	1,968.00
Goodwill/(Capital Reserve)	100.61	100.61	(101.01)	(101.01)
Carrying amount	1,127.56	912.87	2,105.00	1,866.99

## Individually immaterial associates

	Nandi Engineering Limited		Synise Technologies Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Aggregate carrying amount of individually immaterial associates	-	-	-	-
Aggregate amounts of the group's share of:	-	-	-	-
Profit/(loss) from operations	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-	-

## Note 31B : Disclosure in terms of Schedule III of the Companies Act, 2013

Particulars	As at March 31, 2022				Year ended March 31, 2022			
	Net Assets (i.e Total Assets minus total liabilities)		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	₹ in Million	As a % of consolidated profit/ (loss)	₹ in Million	As a % of consolidated other comprehensive income	₹ in Million	As a % of consolidated total comprehensive income	₹ in Million
<b>1. Parent</b>								
BF Investment Limited	48.47%	19,570.74	18.28%	361.58	67.50%	3,660.65	54.35%	4,022.23
<b>2. Associate (Domestic)</b>								
Kalyani Steels Limited	8.45%	3,411.60	48.93%	967.59	0.22%	12.00	13.24%	979.59
KSL Holdings Private Limited	44.14%	17,823.44	43.64%	863.05	30.20%	1,637.69	33.79%	2,500.74
Truimphant Special Alloys Private Limited	0.01%	2.51	0.02%	0.36	0.00%	-	0.00%	0.36
Kalyani Financial Services Limited	0.37%	148.48	-0.02%	-0.34	2.14%	116.13	1.56%	115.79
<b>3. Joint Ventures (Domestic)</b>								
Meritor (HVS) India Limited	2.76%	1,115.66	19.73%	390.14	-0.02%	(1.01)	5.26%	389.13
Automotive Axles Limited	4.57%	1,844.31	13.36%	264.12	-0.04%	(1.95)	3.54%	262.17
Consolidation adjustments	-8.77%	(3,539.48)	-43.94%	(869.00)	0.00%	(0.00)	-11.74%	(869.00)
<b>Total</b>	<b>100%</b>	<b>40,377.27</b>	<b>100%</b>	<b>1,977.50</b>	<b>100%</b>	<b>5,423.51</b>	<b>100%</b>	<b>7,401.01</b>

## Note 31B : Disclosure in terms of Schedule III of the Companies Act, 2013 (Contd.)

Particulars	Year ended March 31, 2021							
	As at March 31, 2021		Share in		Share in other		Share in total	
	Net Assets (i.e Total Assets minus total liabilities)		profit / (loss)		comprehensive income		comprehensive income	
As a % of consolidated net assets	₹ in Million	As a % of consolidated profit/ (loss)	₹ in Million	As a % of consolidated other comprehensive income	₹ in Million	As a % of consolidated comprehensive income	₹ in Million	
<b>1. Parent</b>								
BF Investment Limited	47%	15,548.53	7%	183.54	45%	5,970.15	39%	6,153.69
<b>2. Associate (Domestic)</b>								
Kalyani Steels Limited	8%	2,559.91	28%	742.07	0%	(0.07)	5%	742.00
KSL Holdings Private Limited	46%	15,322.70	92%	2,458.08	55%	7,262.19	61%	9,720.27
Truimphant Special Alloys Private Limited	0%	2.15	0%	0.23	0%	0	0%	0.23
Kalyani Financial Services Limited	0%	32.69	0%	(0.12)	0%	(13.31)	0%	(13.43)
<b>3. Joint Ventures (Domestic)</b>								
Meritor (HVS) India Limited	3%	900.96	7%	185.75	0%	1.00	1%	186.75
Automotive Axles Limited	5%	1,606.30	3%	80.73	0%	2.12	1%	82.85
Consolidation adjustments	-9%	(2,996.98)	-37%	(979.96)	0%	(0.00)	0%	(979.96)
<b>Total</b>	100%	32,976.26	100%	2,670.32	100%	13,222.08	100%	15,892.40



Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	(₹ in Mln.s)	
	As at March 31, 2021	As at March 31, 2020
<b>Note 32 : Fair value measurements</b>		
<b>Financial assets and liabilities at amortised cost</b>		
<b>Financial assets</b>		
Term deposits	1,385.25	807.65
Security deposits	266.31	266.51
Loans	-	22.50
Interest receivable	6.89	5.74
Cash and cash equivalents	11.47	223.52
<b>Total financial assets</b>	<b>1,669.93</b>	<b>1,325.92</b>
<b>Financial liabilities</b>		
Trade payables	-	0.02
Provision for expenses	14.37	7.80
<b>Total financial liabilities</b>	<b>14.37</b>	<b>7.82</b>
<b>Financial assets and liabilities classified as FVTPL</b>		
Investment in Preference shares	941.46	950.56
Loans	224.10	202.21
<b>Financial assets and liabilities classified as FVOCI</b>		
Investment in Equity Shares	14,722.01	11,710.89
Investment in Debentures	796.32	185.81

**i) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	(₹ in Mln.s)		
	Level 1	Level 2	Level 3
<b>Investment in Preference shares</b>			
March 31, 2022	-	-	941.46
March 31, 2021	-	-	950.56
<b>Investment in Equity Shares</b>			
March 31, 2022	12,721.89	-	2,000.12
March 31, 2021	10,177.62	-	1,533.27
<b>Investment in Debentures</b>			
March 31, 2022	-	-	796.32
March 31, 2021	-	-	185.81
<b>Loans</b>			
March 31, 2022	-	-	224.10
March 31, 2021	-	-	202.21

## Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value for preference shares is determined using discounted cash flow analysis (KSL Holding Limited, Kalyani Technoforge Limited, Baramati Speciality Steels Limited and Kalyani Financial Services Limited)
- The fair value for loans is determined using discounted cash flow analysis (Loans to BF Utilities Limited, NICE Limited and Nandi Economic Corridor Enterprises Limited )
- The fair value for compulsorily convertible debentures is determined using asset approach (Net Asset Value method)
- The fair value for unquoted equity shares are determined using cost approach.

### iii) Valuation process

The Company performs the valuations of assets and liabilities required for financial reporting purposes. The Company appoints external valuation experts whenever the need arises for level 3 fair valuation. Discussions of valuation processes and results are held between the the Company and the valuation experts periodically, in line with the Company's annual reporting period.

### iv) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of such financial assets and liabilities are a reasonable approximation of their fair values.

### v) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items:

Particulars	(₹ in Mln.s)				
	Unquoted equity shares	Preference shares	Debentures	Loans	Total
As at March 31, 2020	1,626.82	970.42	192.44	188.44	2,978.13
Purchased (redeemed) during the year	-	(93.00)	-	(6.10)	(99.10)
Gain / (loss) recognised in profit or loss	-	73.14	-	19.86	93.00
Gains/ (losses) recognised in other comprehensive income	(93.55)	-	(6.64)	-	(100.18)
As at March 31, 2021	1,533.27	950.56	185.81	202.21	2,871.85
Purchased (redeemed) during the year	-	-	-	(10.27)	(10.27)
Gain / (loss) recognised in profit or loss	-	(9.10)	-	32.16	23.06
Gains/ (losses) recognised in other comprehensive income	466.84	-	610.51	-	1,077.36
As at March 31, 2022	2,000.12	941.46	796.32	224.10	3,962.00

v) Valuation inputs and relationships to fair value The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value		Fair value as at		Inputs used for fair value		(₹ in Mln.s)
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
Name of the entity	Method of valuation- significant unobservable inputs					
Equity Shares of ₹ 10/- each fully paid in Khed Economic Infrastructure Private Limited.	Cost approach- method Inputs considered for cost approach : Inventory valuation 1) Rate per acre for developed land 2) Rate per acre for land under development 3) Rate per acre for undeveloped land	1,534.29	1,096.12	Inventory valuation Rate per acre for developed land in the range of Rs. 1.05 to Rs. 1.26 crore per acre	Inventory valuation Rate per acre for developed land in the range of Rs. 1.04 to Rs. 1.26 crore per acre	
Equity Shares of ₹ 10/- each fully paid in Kalyani Maxion Wheels Limited	Cost approach- method Inputs considered for cost approach : Fair valuation of Tangible assets	465.82	437.14	Fair value tangible assets viz. land, buildings and plant and equipment viz. plant and machinery, factory equipment, research and development.	Fair value tangible assets viz. land, buildings and plant and equipment viz. plant and machinery, factory equipment, research and development.	
0% Fully Convertible Debentures of ₹ 100/- each fully paid of Kalyani Financial Services Ltd.	Cost approach- method Inputs considered for cost approach : Fair valuation of Investments	796.32	185.81	Fair value of current and non current investments viz. equity shares and debentures.	Fair value of current and non current investments viz. equity shares and debentures.	
7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited.	Discounted cash flow method	355.93	369.90	10%	10%	
9% Cumulative Redeemable Non Convertible Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Private Limited.	Discounted cash flow method	528.10	528.46	10%	10%	
1% Non Cumulative Compulsorily Convertible Preference Shares of ₹ 10/- each, fully paid in Kalyani Financial services Limited	Discounted cash flow method	57.42	52.20	10%	10%	

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

Particulars	As at March 31, 2021	As at March 31, 2020
The sensitivity analysis on account of inputs used for fair valuation are as follows:		
<b>Equity shares of Khed Economic Infrastructure Private Limited:</b>		
Rate per acre		
Increase by 5%	103.48	54.81
Decrease by 5%	(103.48)	(54.81)
<b>Equity shares of Kalyani Maxion Wheels Limited:</b>		
Fair value of tangible assets		
Increase by 5%	19.67	21.86
Decrease by 5%	(19.67)	(21.86)
<b>0% Fully Convertible Debentures of ₹ 100/- each fully paid of Kalyani Financial Services Ltd.:</b>		
Fair value of investments		
Increase by 20%	88.39	21.24
Decrease by 20%	(110.49)	(20.57)
<b>7% Cumulative Optionally Convertible Non-Participating Preference Shares of ₹ 10/- each, fully paid in Kalyani Technoforge Limited.</b>		
Discount rate		
Increase by 1%	20.23	(13.82)
Decrease by 1%	(18.98)	14.78
<b>9% Cumulative Redeemable Non Convertible Preference Shares of ₹ 10/- each, fully paid in KSL Holdings Private Limited.</b>		
Discount rate		
Increase by 1%	(35.77)	(45.27)
Decrease by 1%	39.80	51.99
<b>1% Non Cumulative Compulsorily Convertible Preference Shares of ₹ 10/- each, fully paid in Kalyani Financial services Limited</b>		
Discount rate		
Increase by 1%	(2.54)	(1.58)
Decrease by 1%	2.68	1.67

**Note 33 : Financial risk management**

Presented below is a description of the risks (market risk, and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period.

**I Market Risk**

**A Price risk**

The group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet wither at fair value through Other Comprehensive Income or at fair value through profit and loss. To manage its price risk arising from investments from investments in equity securities, the group diversifies the portfolio. The majority of group's equity investments are publically traded and are included in the BSE and NSE indices.

**II Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these debt financing plans.

**i) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

	(₹ in Mln.s)	
	Less than 1 year	More than 1 year
<b>As at March 31, 2022</b>		
<b>Non- derivative</b>		
Trade payables	-	-
Provision for expenses	14.37	-
<b>As at March 31, 2021</b>		
<b>Non- derivative</b>		
Trade payables	0.02	-
Provision for expenses	7.80	-

**III Credit Risk:**

The Company is exposed to credit risk from its activity of giving loans and from its financing activities, including deposits with banks and other financial instruments. The balances with banks, loans given to corporate bodies, security deposits are subject to low credit risk since the counter-party has strong capacity to meet the obligations and where the risk of default is negligible except for few which are already impaired. An impairment analysis is performed at each reporting date on an individual basis for each loan given.

**i) Loss allowance for loans :**

	(₹ in Mln.s)	
Particulars	March 31, 2022	March 31, 2021
Gross carrying amount	311.03	311.64
loss allowance provision	(86.93)	(86.93)
<b>Carrying amount of loans (net of impairment)</b>	<b>224.10</b>	<b>224.71</b>

**ii) Reconciliation of loss allowance provision - loans**

	(₹ in Mln.s)
Loss allowance as on March 31, 2022	86.93
Changes in loss allowance	-
Loss allowance as on March 31, 2021	86.93
Changes in loss allowance	-
Loss allowance as on March 31, 2020	86.93

**Note 34 : Capital management**

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

The capital structure of the Company is as follows:

Particulars	(₹ in Mln.s)	
	March 31, 2022	March 31, 2021
Share Capital	188.34	188.34
Other Equity	40,188.93	32,787.92
<b>Total</b>	<b>40,377.27</b>	<b>32,976.26</b>

**Note 35 : Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors has been identified as the chief operating decision maker.

The Company is in the business of making investments in group companies, focusing on earning income through dividends, interest and gains on investment held, which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015 as amended.

All assets are in India.

**Note 36 : Corporate social responsibility (CSR)**

The Company has formed Corporate Social Responsibility (CSR) Committee and has also adopted a CSR Policy in accordance with the provisions of section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company recognizes CSR spends as and when incurred. Relevant details for the financial year covered by these statements are as under.

	(₹ in Mln.s)	
	Year ended March 31, 2022	Year ended March 31, 2021
Amount required to be spent by the company during the year*	-	7.73
Amount of expenditure incurred ( including short fall of previous year paid in current year)**	-	18.50
Shortfall / (Excess) at the end of the year	-	-
Total of previous years shortfall / (excess)	-	-
Nature of shortfall	NA	NA
Nature of CSR activities	NA	NA
Details of related party transactions	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

\* Since the majority of the dividend received by the Company is from the companies in India, which are covered under and complying with the provisions of section 135 of the Act therefore the amount required to be spent as CSR by the Company as per the calculation prescribed under section 135 (5) of the Act is Nil.

\*\* During the FY 2020-21 the Company had spent Rs. 10.78 Mln against short fall of FY 2019-20.

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

37 Legal title to some of the assets vested and transferred to the Company in pursuance of the Composite Scheme of Arrangement approved by the Honourable High Court of judicature at Bombay, as per Order dated 5<sup>th</sup> February, 2010 referred to herein before, could not be transferred in the name of the Company as at 31<sup>st</sup> March, 2022. The Company is in the process of completing the required legal formalities.

38 Company has given a financial guarantee to Axis Finance Ltd., of an amount of Rs. 1200 million in December 2018, in respect of a term loan availed by a Kalyani group company from Axis Finance Ltd, for a period ending upto 31st March 2023. The balance outstanding of that loan as at 31st March 2022 is Rs. 159.93 million (previous year Rs. 663.10 million). The company has accounted for the fair value of this financial guarantee in the financial statements, which as per the valuation report obtained by the company, is Nil as on March 31st, 2022 (previous year Rs. Nil).

39 Long term loans given :

The Company has given letter of subordination to Nandi Economic Corridor Enterprises Ltd. (NECE) and Airro (Mauritius) Holdings V, whereby the Company has agreed to subordinate the interest free unsecured loan of Rs. 1,160,520,067 (Previous Year : Rs. 1,160,520,067) granted by it to NECE, until the entire stakeholding of Airro (Mauritius) Holdings V in NECE Ltd. is completely sold off or all the amounts payable by NECE Ltd. to Airro (Mauritius) Holdings V in terms of the Shareholders Agreement dated 24th December, 2010, between Airro (Mauritius) Holdings V and NECE Ltd. are fully paid off. The Company has given Interest free unsecured Loans of Rs. 193,573,436/- (P.Y. Rs. 194,265,288/- ) and Rs. 30,000,000/- (P.Y. Rs.30,000,000/-) to BF Utilities Ltd. & NICE Ltd. respectively. These loans are repayable over 10 & 30 year period respectively, commencing from 1st april, 2018.

40 Contingent Liabilities not provided for :

	March 31, 2022	March 31, 2021
During the financial year 2019-20,the Company had paid a Transfer Duty of Rs. 10,85,127/- to New Delhi Municipal Council, towards registration of it's property held at Antariksh Bhavan, New Delhi, in its name. The relevant mutation certificates as Property Tax payer are on Companies record. The process for registering name of the company as propertyholder in the land records is currently in process.	Unascertainable	Unascertainable
For proportionate contingent liabilities of Associates and Joint ventures, refer Note 31A		
		(₹ in Mln.s)
	March 31, 2022	March 31, 2021

41 Capital commitments (net of advances) :

For proportionate commitments of Associates and Joint ventures, refer Note 31A

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42 Additional regulatory information required by Schedule III to the Companies Act, 2013:

- i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- iii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- (iv) Utilisation of borrowed funds and share premium:-The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:(a) 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(b) Provide any guarantee,

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2022.

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security or the like to or on behalf of the ultimate beneficiaries-The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:(a) 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(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

- (v) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- (vi) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- (vii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

43 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

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As per my attached report of even date,

**For P. G. BHAGWAT LLP**  
(FRN No. 101118W/ W100682)  
Chartered Accountants

**Abhijeet Bhagwat**  
Partner  
Membership No.136835

Place : Pune  
Date : 30<sup>th</sup> May, 2022

On behalf of the Board of Directors,

**B.S. Mitkari**  
Director  
DIN: 03632549

**J. G. Patwardhan**  
Chief Executive Officer &  
Chief Financial Officer

Place : Pune  
Date : 30<sup>th</sup> May, 2022

**B. B. Hattarki**  
Director  
DIN : 00145710

**S. R. Kshirsagar**  
Company Secretary













**KALYANI**  
DRIVING INNOVATION

# **BF INVESTMENT LIMITED**

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