

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

CIN: L32109GJ2008PLC053336

Regd. Off: 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat-395002

Website: www.bhatiamobile.com, E mail: info@bhatiamobile.com, Ph: 0261-2349892

BHATIA'S
The mobile one stop shop

Date: 25/08/2020

To,
BSE Limited,
Phiroze Jeejeebhoy towers,
Dalal Street,
Mumbai- 400 001.

Scrip code: 540956

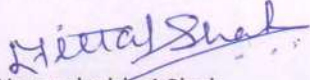
Subject: Annual Report for the Financial year 2019-2020.

Reference: Regulation 34(1) of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Annual Report of the company for the financial year 2019-20 and is also available on the website of the company at www.bhatiamobile.com.

For Bhatia Communications & Retail (India) Limited


Mittal Narendrabhai Shah
Company Secretary & Compliance Officer

Place: Surat



Encl: Annual Report for Financial year 2019-2020.

BHATIA'S®
The mobile one stop shop

ANNUAL REPORT

2020

**BHATIA COMMUNICATIONS &
RETAIL (INDIA) LIMITED**



info@bhatiamobile.com



www.bhatiamobile.com



0261-2349892

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sanjeev Harbanslal Bhatia	- Chairman and Managing Director
Mr. Nikhil Harbanslal Bhatia	- Whole-time Director
Mrs. Kamleshkumari Harbanslal Bhatia	- Additional Director
Mrs. Rashmi Kapil Arora	- Non-Executive Independent Director
Mr. Aript Arunkumar Jain	- Non-Executive Independent Director
Mr. Rachit Naresh Narang	- Non-Executive Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

CS Avani Karansingh Chaudhari (Resigned on 12/04/2019)
CS Mittal Narendrabhai Shah (Appointed on 12/04/2019)

AUDIT COMMITTEE

Arpit Arunkumar Jain	- Chairman
Sanjeev Harbanslal Bhatia	- Member
Rachit Naresh Narang	- Member
Rashmi Kapil Arora	- Member

STATUTORY AUDITOR

R Kejriwal & Co.

Chartered Accountant
2, Aastha, 2/906, Hira Modi Sheri
Opp. Gujarat Samachar Press,
Ring Road, Surat-395002, Gujarat.
Ph. No. 0261- 2355984

NOMINATION & REMUNERATION COMMITTEE

Arpit Arunkumar Jain	- Chairman
Rachit Naresh Narang	- Member
Rashmi Kapil Arora	- Member

REGISTER & TRANSFER AGENT

Purva Sharegistry (India) Private Limited

Category I Registrar to Issue & Share Transfer Agents
Unit No. 9 Shiv Shakti Ind.Estt.,
J. R. Boricha Marg, Lower Parel (E),
Mumbai-400011, Maharashtra,
Email Id: support@purvashare.com
Website: www.purvashare.com
Ph. No.: +91-022-23016761/2518
Tele Fax: +91-022-23012517

STAKEHOLDER'S SHAREHOLDERS & INVESTOR GRIEVANCES COMMITTEE

Rashmi Kapil Arora	- Chairman
Arpit Arunkumar Jain	- Member
Sanjeev Harbanslal Bhatia	- Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sanjeev Harbanslal Bhatia	- Chairman
Nikhil Harbanslal Bhatia	- Member
Rachit Naresh Narang	- Member

REGISTERED OFFICE

132, Dr. Ambedkar Shopping Centre,
Ring Road, Surat- 395002.
Ph. No.: 0261-2349892
Email: info@bhatiamobile.com
Website: www.bhatiamobile.com
CIN: L32109GJ2008PLC053336

BANKER TO THE COMPANY

HDFC Bank Limited
Rajkot Nagrik Sahakari Bank Ltd

ISIN: INE341Z01017

BSE Code: 540956

12TH ANNUAL GENERAL MEETING

Date: Friday, 18th September, 2020

Time: 11:00 A.M.

Venue: 132, Dr. Ambedkar Shopping Centre,
Ring Road, Surat 395002, Gujarat.

BOOK CLOSURE:

Date: 12/09/2020 to 18/09/2020

(Both days inclusive)



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CHAIRMAN'S MESSAGE:

Dear Stakeholders,

I am pleased to share with you an update on your Company's performance for FY2020. The year saw a challenging business environment with lower GDP growth, compared to the previous years and witnessed a slowdown in consumption. The novel coronavirus has affected not just human health but severely impacted businesses and the society at large. Against this backdrop, your Company has delivered competitive, profitable and responsible growth.

Our Company's growth fundamentals have remained intact, with gains in penetration & distribution, with brand awareness establishing across South Gujarat. Our EBITDA margin improved by ~60 bps on comparable basis, PAT grew by 7.59% to ₹54million.

We sustained our track record of strong cash generation. The Board of Directors have proposed a final dividend of ₹4 per share, subject to the approval of the shareholders at the Annual general meeting.

Over 50 crore Indians have started using smart phones, a 15 per cent increase from CY2018. Moreover, after a slow migration rate from feature phones to smart phones for a couple of years, people have again started to explore and expand smart phone market. Factors like availability of good-quality affordable smart phones, expansion of channels, expansion of 4G/LTE networks by the operators are among the key reasons driving the smart phone user growth. With the COVID-19 teaching all of us a new way living lives and making work from home a norm, the smart phone market is expected to grow and penetrate even faster.

On the macro level, to make way for electronic manufacturers to ramp up domestic production, the government has relaxed rules that previously hampered local production. The government has dropped certain contentious clauses that included the evaluation of plant and machinery to be brought from China and South Korea, leading companies like Samsung, Apple, Foxconn, Oppo, Vivo and Flextronics to push for increased manufacturing under the production-linked incentive (PLI) scheme. This would further add value to the industry and bring in more people under its ecosystem, thus enlarging the market size.

The Appliances and Consumer Electronics market (ACE) is expected to grow at a CAGR of 11.7% and reach a total market size of ₹1.48 lakh crore by FY2025. The ACE market size includes residential air-conditioners, audio products, refrigerators, TVs and washing machines. Therefore, your company's transformational decision to diversify its product portfolio was well timed last year and your company has now been able to achieve a conversion rate of 96% with revenue generated per square feet standing at ₹19,200. Your company generated major portion of its revenue from owned retail stores, contributing 85.6% to the top line, while the rest coming in from franchised retail outlets. Your company this year, reached a total of 100 stores, across South Gujarat, and is now planning for expansion in other parts of the state as well. To achieve its goal of Pan Gujarat presence, your company uses various platforms like Social Media, Radio Ads, Print Media for Advertisement and Marketing to further establish its brand.

Your company has never intended to grow at an unsustainable & erroneous rate, by opening stores after stores but rather grow at a convincing rate, therefore, your company strategically plans all its the store location, making sure that it reaches a wider section of people, and create value for its esteemed shareholders.

However, as your company is involved in retail business, and due to the nation-wide lockdown, the shops were closed, it did cause a short-term impact on the working, but a surge in demand was witnessed in the unlocking phase. The demand of products is expected to rise with the improving conditions.

Hereby, on behalf of the company, I would like to assure that your company does not foresee any impact in respect of its existing contracts and agreements and its long-term sustainability is expected to remain unharmed.

I would like to thank each and every employee as well as those working with our partners across our value chain for their commitment and service to Bhatia Communications and Retail (India) Limited in these challenging times. I would also like to thank our Business Channel Partners which has contributed significantly to the growth of the company. Most importantly, I would like to thank you, our shareholders, for your overwhelming trust, support and confidence in Bhatia Communications and Retail (India) Limited.

Best regards,

SANJEEV HARBANSLAL BHATIA

(Chairman)

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

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NOTICE OF 12th ANNUAL GENERAL MEETING

Notice is hereby given of the 12th Annual General Meeting of the members of **Bhatia Communications & Retail (India) Limited** will be held on Friday, the 18th day of September, 2020 at the registered office of the Company situated at 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat-395002, Gujarat at 11:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on 31st March, 2020, together with the Reports of the Board of Directors and Auditors' thereon.

"RESOLVED THAT the Audited Balance Sheet and Profit and loss account for the year ended 31st March, 2020 along with the Director's Report, be and are hereby considered, Adopted and Approved"

2. Declaration of dividend on equity shares @ 40% i.e. Rs.4/- per share.

"RESOLVED THAT a final dividend at the rate of Rs.4/- (Rupees Four Only) per equity share of Rs. 10/- (Rupees Ten Only) each fully paid up of the Company, as recommended by the Board of Directors, be and is hereby declared for the Financial Year ended 31st March, 2020 and the same be paid out of the profits of the Company."

"RESOLVED FURTHER THAT the Dividend be and is hereby paid only to the public Shareholders of the Company and promoter will waive their right to receive the Dividend."

3. To appoint a Director in place of Mr. Nikhil Harbanslal Bhatia, Whole Time Director (DIN: 02063706), liable to retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

"RESOLVED THAT in accordance with the provision of Section 152 (6) and all other applicable provisions, if any, of the Companies Act, 2013, Mr. Nikhil Harbanslal Bhatia, Whole Time Director (DIN: 02063706), who retires by rotation at this annual general meeting, be and is hereby reappointed as director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. **APPOINTMENT OF DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an ordinary Resolution:-

"RESOLVED THAT pursuant to the provision of Section 149, 152, 160 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force, regulation 19(4) read with part D of Schedule II of the Security and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, Mrs. Kamleshkumari Harbanslal Bhatia (DIN: 02066517), who was appointed as an Additional Director of the Company with effect from 30.03.2020 by the Board of Directors pursuant to Section 161 of the Act and as recommended by Nomination and Remuneration Committee and who hold office upto the date of Annual General Meeting of the Company, be and is hereby appointed as a Non-Executive Director of the Company liable to retire by rotation.

"FURTHER RESOLVED THAT the Board of directors of the Company be and is hereby authorized to do all the acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Place: Surat

Date:20/08/2020

By order of the Board
for **Bhatia Communications &
Retail (India) Limited**
Sd/-
Mittal Narendra bhai Shah
Company Secretary &
Compliance Officer



NOTES:

1. A member entitled to attend and vote at the annual general meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the company. The instrument appointing the proxy, duly completed, must be deposited at the company’s registered office not less than 48 hours before the commencement of the meeting (on or before 16thSeptember, 2020, 11:00 A.M. IST). A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. A proxy form for the AGM is enclosed.
2. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Relevant documents referred to in the above Notice are open for inspection at the Registered Office of the Company during the business hours on any working day (except Sunday and holidays) between 10.00 a.m. and 4.00 p.m. up to the date of the Annual General Meeting.
4. Members/Proxy holders/ Authorized representatives are requested to bring their copy of Annual Report and Attendance slip sent herewith, duly filled-in for attending the Annual General Meeting.
5. Members are requested to quote Folio/DPID number in all their correspondences.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The Register of Contracts & arrangements in which director are interested, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from 12thSeptember, 2020 to 18thSeptember, 2020 (both days inclusive).
9. The Shareholders are requested to direct change of address notifications and updates details to their respective Depository Participant(s).
10. Equity shares of the Company are under compulsory demat trading by all Investors.
11. The Annual Report 2019-2020, the Notice of the 12thAGM and instructions for e-voting along with the Attendance Slip and Proxy form, are being sent by electronic mode to all the members whose email addresses are registered with the Company/ Depository Participant(s), unless a member has requested for a physical copy of documents.
12. Members may also note that the Notice of the 12thAGM and the Annual Report 2019-2020 will be available on Company’s website, www.bhatiamobile.com.

13. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication from the company electronically and quicker response to their queries to RTA or Company.
 14. The shareholder needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license to enter the AGM hall.
 15. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re- appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment/ re-appointment as required under the Companies Act, 2013 and the Rules there under.
 16. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 11thSeptember, 2020
 17. The route map of the venue of the Annual General Meeting is appended to this Report. The prominent land mark near the venue is Rajkot Nagrik Sahkari Bank Limited, Ring Road, Surat
- 18. Information and other instructions relating to e-voting are as under:**
- I. Pursuant to Section 108 of the Companies Act, 2013 (“the Act”) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by NSDL. The facility available for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise the right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.
 - II. The members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through ‘polling paper’.
 - III. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - IV. Shri Ranjit Kejriwal, Practicing Company Secretary has been appointed to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper, in a fair and transparent manner.
 - V. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member as on the cut-off date i.e. September11, 2020.
 - VI. A person, whose name is recorded in the register of members as on the cut-off date, i.e. September 11, 2020 only shall be entitled to avail the facility of remote e-voting / voting.
 - VII. The Scrutinizer, after scrutinizing the votes cast at the meeting (polling paper) and through remote e-voting, will, not later than 48 hours of conclusion of the Meeting, make a consolidated scrutinizer’s report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company. The results shall be communicated to the Stock Exchanges.
 - VIII. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September18, 2020.
- IX. Instructions to Members for e-voting are as under:**
- The voting period starts on Tuesday15thSeptember, 2020 on open of working hours (i.e 9:00 hours) and ends on the close of working hours (i.e. 05:00 hours), Thursday, 17thSeptember, 2020. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 11th September, 2020 may cast their vote electronically. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The e-voting module shall be disabled by NSDL for voting thereafter.

Step 1: Log-in to NSDL e-Voting system

- i. 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**.
- ii. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- iii. A new screen will open. You will have to enter your User ID, your Password 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.

iv. Your User ID details will be as per details 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 113530 then user ID is 113530001***

v. **Your password details 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 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, your 'initial password' is communicated to you on your postal address.

vi. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a. Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b. "[Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

viii. Now, you will have to click on "Login" button.

ix. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

- i. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- ii. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- iii. Select "EVEN" of the Company.
- iv. Now you are ready for e-Voting as the Voting page opens.
- v. 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.
- vi. Upon confirmation, the message "Vote cast successfully" will be displayed.
- vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

- i. 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 rbksurat@gmail.com to with a copy marked to evoting@nsdl.co.in.

- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

Please note the following:

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

Other information:

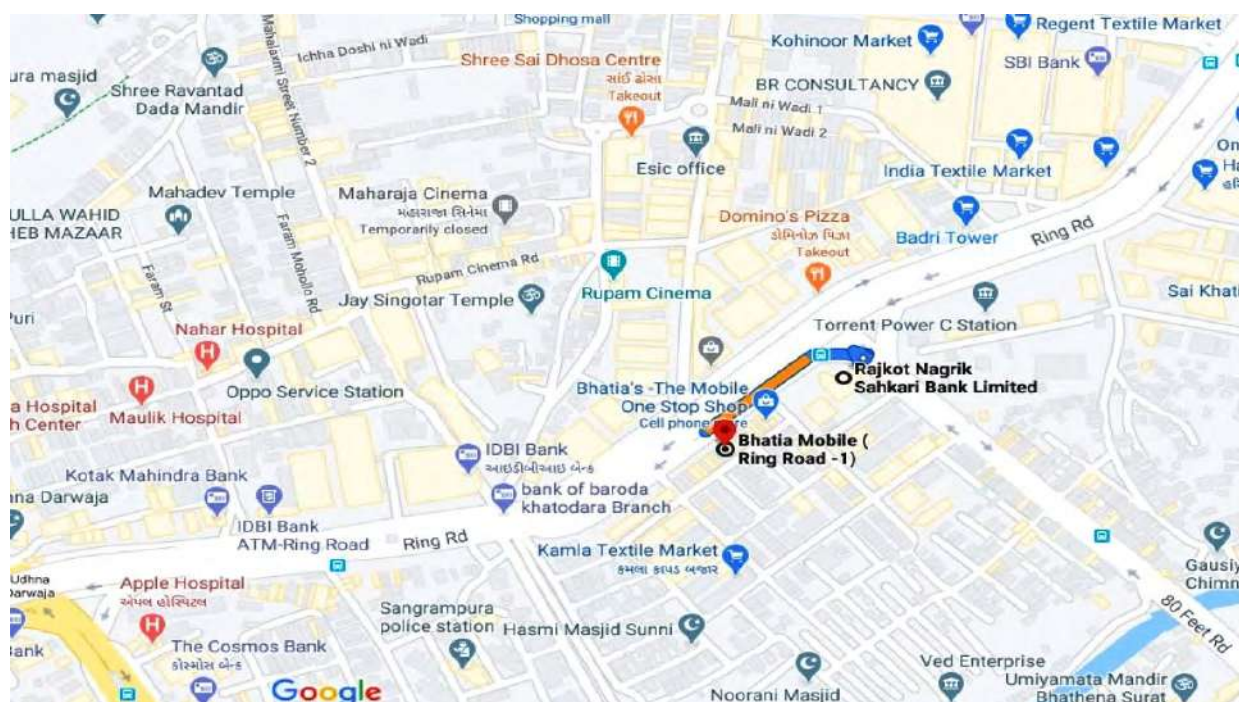
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-9900 or send a request at evoting@nsdl.co.in.

Place: Surat
Date: 20.08.2020

By order of the Board
for Bhatia Communications &
Retail (India) Limited
Sd/-
Mittal Narendra bhai Shah
Company Secretary &
Compliance Officer

ROUTE MAP TO THE VENUE OF THE 12th ANNUAL GENERAL MEETING OF THE COMPANY



ANNEXURE TO NOTICE:

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AND APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

(Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standard 2 issued by the Institute of Company Secretaries of India

Name of Director	Mr. Nikhil Harbanslal Bhatia	Mrs. Kamleshkumari Harbanslal Bhatia
DIN No.	02063706	02066517
Date of Birth	16/02/1982	10/09/1961
Qualification	H.S.C.	Basic Literate
Expertise in specific functional areas	More than 14 years of experience in the Mobile Retail Marketing.	Experience of more than 30 years in retail industries.
Terms and Conditions of Appointment/Reappointment	As per the resolutions at Item No 3 of the Notice Convening this meeting, Mr. Nikhil Harbanslal Bhatia is liable to retire by rotation at the meeting and eligible for re-appointment.	As per the resolution at Item No. 4 of the Notice convening this meeting read with explanatory Statement, Mrs. Kamleshkumari Harbanslal Bhatia is proposed to appoint as a Director of the Company.
Remuneration last drawn	Rs. 24,00,000	NIL
Remuneration proposed	Rs. 24,00,000	NIL
Date of First Appointment	01/04/2008	30/03/2020
Relationship with Directors/Key managerial Personnel	Mr. Nikhil Harbanslal Bhatia brother of Sanjeev Harbanslal Bhatia and Son of Mrs. Kamleshkumari Harbanslal Bhatia is concerned or interested in this resolution.	Mr. Nikhil Harbanslal Bhatia and Mr. Sanjeev Harbanslal Bhatia are son of Mrs. Kamleshkumari Harbanslal Bhatia is concerned or interested in this resolution.

List of Companies in which directorship is held as on 31st March, 2020	As attached below	As attached below
Chairman / Member of the Committee of other Company	NIL	NIL
No. of Meetings of the Board Attended during the year	11	NIL

1. List of Companies in which Mr. Nikhil Harbanslal Bhatia holds directorship as on 31st March, 2020:

S. No.	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose/changed
1.	SNV Distributors Private Limited	Director	76600	03/07/2013
2.	Bhatia Communications & Retail (India) Limited	Whole Time Director	4832854	01/04/2008 05/01/2018

2. List of Companies in which Mrs. Kamleshkumari Harbanslal Bhatia holds directorship as on 31st March, 2020:

S. No.	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose/changed
1.	Bhatia Communications & Retail (India) Limited	Additional Director	26	30/03/2020

The Board of Directors recommends the proposed resolutions for acceptance by member.

Place: Surat
Date: 20.08.2020

By order of the Board
for Bhatia Communications & Retail (India) Limited
Sd/-
Mittal Narendra bhai Shah
Company Secretary & Compliance Officer

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS

ITEM NO. 4:

Mrs. Kamleshkumari Harbanslal Bhatia (DIN: 02066517), on recommendation of Nomination and Remuneration Committee was appointed as an Additional Director with effect from 30/03/2020 by the Board of Directors in accordance with section 161 of the Companies Act, 2013. As per section 161 of the Companies Act, Mrs. Kamleshkumari Harbanslal Bhatia holds office upto the date of ensuring AGM on 18th September, 2020.

Mrs. Kamleshkumari Harbanslal Bhatia to be appointed as a non-executive Director at the ensuring AGM liable to retire by rotation. Mrs. Kamleshkumari Harbanslal Bhatia has consented to the proposal appointment and declared qualified. Mrs. Kamleshkumari Harbanslal Bhatia possesses the requisite knowledge, Experience and skill for the position of the Director. Mrs. Kamleshkumari Harbanslal Bhatia will not be entitled for Remuneration and may be revised from time to time by the Board of Directors or Nomination & Remuneration Committee that may be formed for this purpose.

Brief resume of Mrs. Kamleshkumari Harbanslal Bhatia, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Annexure of the Notice of 12th Annual General Meeting.

Except Mr. Sanjeev Harbanslal Bhatia and Mr. Nikhil Harbanslal Bhatia and their relatives, to the extent of their shareholding and loans provided by them, None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. The Board recommends the Resolution set out at Item no. 4 of the Notice for approval of the Members. This Explanatory Statement may also be regarded as a disclosure under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board recommends this Resolution for your approval.

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

CIN: L32109GJ2008PLC053336

Regd. Off: 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat-395002

Website: www.bhatiamobile.com, mail: info@bhatiamobile.com, Ph: 0261-2349892



DIRECTOR'S REPORT

To,
The Members
Bhatia Communications & Retail (India) Limited

Your Directors take pleasure in submitting the 12th Annual Report of the Business and operations of your Company and the Audited Financial Statements for the financial year ended 31st March, 2020.

1. FINANCIAL RESULTS & PERFORMANCE

Particulars	(Rs. in Lakhs)	
	For the year ended 31-03-2020*	For the year ended 31-03-2019*
Revenue from operations	16803.32	16509.49
Other Income	1896.69	1566.53
Total Revenue	18700.01	18076.02
Profit before tax and Exceptional Items	732.83	712.38
Exceptional Items	0	0
Profit before Taxation	732.83	712.38
-Current Tax	193.32	199.09
-Deferred Tax	0.46	5.17
-Income tax of earlier years	0.24	7.35
Net Profit/ (Loss) For The Year	538.81	500.77
Other Comprehensive Income for the Year, Net of Tax	3.19	3.34
Total Comprehensive Income for the Year	542.00	504.11

* Figures regrouped wherever necessary

The Company discloses financial results on half yearly basis of which results are subjected to limited review and publishes audited financial results on an annual basis. The Financial Statements as stated above are also available on the Company's website www.bhatiamobile.com.

2. STATE OF COMPANY'S AFFAIR

During the year, Your Company recorded total revenue of 18700.01 Lacs against Rs. 18076.02 Lacs in the previous year, representing an increase of 3.45% during the year and Profit before Tax Rs.732.83 Lacs as compared to Rs.712.38 Lacs during the year. Total Income during the year Rs. 542.00 as compared to Rs. 504.11 in the previous year. A detailed analysis on the Company's performance is included in the "Management's Discussion and Analysis" Report, which forms part of this Report.

3. ROAD AHEAD

Our vision of becoming one of the top retail mobile chains and moving towards sustainable growth. Our priorities are as follows:

- Focus on increasing same stores sales growth
- Maintaining Price Competitiveness
- Technology enabled inventory management system
- Cross promotion through intelligent marketing
- Moving up the value chain - Expanding the product line under own brand

We are very excited to enter into the new phase of growth and will continue to invest in our capabilities to increase our presence prudently and create value for the shareholders. We would like to be thankful to the entire stakeholder for being part of the journey.

4. DIVIDEND

The Board is pleased to recommend a dividend of 40% i.e. Re.4 per equity share for the financial year 2019-20. The dividend if approved by the members will be paid to the members within time limit defined in the Companies Act, 2013.

The promoters of the company have waived their right to receive dividend declared by the company for financial year 2019-20, due to which the company will have to pay dividend only to 33,00,000 equity shareholders.

5. UNCLAIMED DIVIDEND

There is no balance lying in unpaid equity dividend account.

6. TRANSFER TO RESERVE

Company has not transferred any amount from profit to General Reserve.

7. MATERIAL CHANGES

COVID-19: In the last month of FY 2020, the COVID -19 pandemic developed rapidly into a global crisis, forcing governments across the globe to enforce lock-downs of all economic activity. For the company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers globally. In order to ensure smooth functioning, work from home facility was extended to many of the employees of the company. Although there were uncertainties due to the pandemic in the last quarter of FY 2020, inherent resilience of the business model will position the company well to navigate the challenges ahead. But then also the Covid-19 will impact the finances of the company and its impact can be ascertained only after lifting of lockdown and life coming to stable position.

The company has adopted Indian Accounting standard for the financial year ended on 31.03.2020. During the year the company has started the process for migration of company from BSE SME Exchange to the main Board platform of BSE Limited.

8. SHARE CAPITAL

The Authorized Share Capital of the Company as on 31/03/2020 was Rs. 13,00,00,000 and Paid up share capital of the Company as on 31/03/2020 was Rs. 12,51,52,000. There has been no such change in the Equity share capital of the Company during the year.

9. CHANGE IN NATURE OF BUSINESS, IF ANY

During the Financial Year, there has been no change in the business of the company or in the nature of Business carried by the company during the financial year under review.

10. DEPOSITS

During the year, Company has not accepted any deposits from public within the meaning of the Section 73 of the Companies Act, 2013.

Details of money received from Directors

Sr. No.	Name of Directors	O/s amount as on year end
1	Nikhil Harbanslal Bhatia	1,25,87,583
2	Sanjeev Harbanslal Bhatia	68,75,804

11. SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Holding, Joint Venture or Associate Company.

12. 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

There was no significant material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in nature.

13. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Nikhil Harbanslal Bhatia (DIN:02063706), Whole time Director, retire by rotation and is being eligible has offered himself for re-appointment at the ensuing Annual General Meeting.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

The following are the List of Directors and KMP of the Company during the year:

Name of Directors	Category & Designation	Appointment Date	Change in Designation	Resignation Date
Mr. Sanjeev Harbanslal Bhatia	Executive Managing Director	25.03.2008	05.01.2018	-
Mr. Nikhil Harbanslal Bhatia	Executive Whole Time Director	01.04.2008	05.01.2018	-
Mr. Arpit Arunkumar Jain	Non-Executive Independent Director	05.01.2018	-	-
Mrs. Rashmi Kapil Arora	Non-Executive Independent Director	05.01.2018	-	-
Mr. Rachit Naresh Narang	Non-Executive Independent Director	05.01.2018	-	-
Mr. Ravindra Arunrao Sojal	Chief Financial Officer	05.01.2018	-	-
Ms. Avani Karansingh Chaudhari	Company Secretary	11.11.2017	-	12.04.2019
Ms. Mittal Narendrabhai Shah	Company Secretary	12.04.2019	-	-
Mrs. Kamleshkumari Harbanslal Bhatia	Non- Executive Additional Director	30.03.2020	-	-

14. STATUTORY AUDITORS

M/s. R. Kejriwal & Co., Chartered Accountants (having Firm Registration No 133558W) are Statutory Auditors of the Company, who were appointed in 11th Annual General Meeting held on 09.09.2019 holds office until the conclusion of the 13th Annual General Meeting.

15. COMMENTS ON AUDITOR'S REPORT

The notes referred to in the Auditor Report are self-explanatory and they do not call for any further explanation as required under section 134 of the Companies Act, 2013.

16. INTERNAL AUDITOR

M/s. V. M. Patel & Associates, Cost Accountant, Surat appointed as an internal Auditor of the Company for the Financial Year 2019-2020. Internal Auditors are appointed by the Board of Directors of the Company, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the internal Audit of the Company to the Audit Committee on a quarterly basis. The Scope of Internal audit is approved by the Audit Committee.

The Company has appointed M/s. V. M. Patel & Associates, Cost Accountant, Surat as an Internal Auditor for the term of 5 years from from F.Y. 2019-20 to 2023-24 in the Board meeting held on 30th May, 2019 after obtaining his willingness and eligibility letter for appointment as Internal Auditor of the Company.

17. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 in Form MGT-9 is annexed herewith for your kind perusal and information. **(Annexure - 1)**.

18. RELATED PARTY TRANSACTION

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under section 188 of the Companies Act, 2013 entered by the Company during the financial year, were in ordinary course of business and at arm's length basis. Details of the related party transactions made during the year are attached as **Annexure-2** in form AOC-2 for your kind perusal and information.

19. NUMBER OF MEETING HELD DURING THE YEAR

The Details of all meeting of Board of Directors and Committee meeting had taken place during the year and their details along with their attendance, is given in **Annexure 3** in the Corporate Governance Report.

20. COMPOSITION OF BOARD AND ITS COMMITTEE

The detail of the composition of the Board and its committees thereof and detail of the changes in their composition if any is given in **Annexure 3** in the Corporate Governance Report.

21. LOANS, GUARANTEES AND INVESTMENT

With reference to Section 134(3)(g) of the Companies Act, 2013, loans, guarantees and investments made under section 186 of the Companies Act, 2013 are as under:

Sr. No.	Date of transaction	Name of the Company	Purpose of Transaction	Amount involved in Transaction
1	Various Dates	Suncare Traders Limited	Loan for business development	2,55,41,799
2	Various Dates	Bagh Bahar Appliances Pvt Ltd	Loan for business development	3,18,68,548
3	Various Dates	Manasi Sarees Private Limited	Loan for business development	25,86,178

22. DECLARATION BY INDEPENDENT DIRECTORS

Company has received declaration from all the independent directors duly signed by them stating that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

There has been no Change in the circumstances affecting their status as Independent Directors of the Company so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant regulations.

All the independent directors have enrolled with the Indian Institute of Corporate Affairs at Manesar for exam "Online Self Assessment Test".

SEPARATE MEETING OF INDEPENDENT DIRECTORS

In terms of requirement of Schedule IV of the Companies Act, 2013, the Independent Directors of the company have complied with the code of Independent Director. Independent Directors met separately on 16th March, 2020 to inter alia review the performance of Non-Independent Directors (Including the Chairman), the entire Board and the quality, quantity and timeliness of the flow of the information between the Management and the Board.

23. VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at <http://bhatiamobile.com/wp-content/uploads/2019/06/Vigil-Mechanism-Whistle-Blower-Policy.pdf>

24. RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to negative consequences on the Company's business. Risk Management is a structured approach to manage uncertainty. An enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Structure, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process over the period of time will become embedded into the Company's business system and processes, such that our responses to risk remain current and dynamic.

25. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, your directors hereby confirm:

- A. That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departments;
- B. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs if the Company at the end of the financial year and of the profit and loss of the Company for that period;
- C. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- D. That the directors had prepared the annual accounts on a going concern basis; and
- E. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- F. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. ANNUAL EVALUATION

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

The performance evaluation of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as participation in decision making; participation in developing corporate governance; providing advice and suggestion etc.

The Committees of the Board were assessed on the degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The board reviewed the performance of the individual directors on the basis of the criteria such as the contribution in decision making, contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive suggestions and advice in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

27. INTERNAL FINANCIAL CONTROL SYSTEM

The Company has a well placed, proper and adequate internal financial control system which ensures that all the assets are safeguarded and protected and that the transactions are authorized recorded and reported correctly. The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. During the year no reportable material weakness in the design or operation were observed.

28. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The companies act, 2013 re-emphasizes the need for an effective internal financial control system in the company. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of internal financial controls with reference to the financial statements to be disclosed in the board' report. The detailed report forms part of Independent Auditors Report.

29. CORPORATE GOVERNANCE

Your Company has incorporated the appropriate standards for corporate governance. Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Company is filing Corporate Governance Report to stock exchange quarterly. However, as per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 company is giving report on corporate governance report in annual report of the company. Corporate Governance Report is as per **Annexure - 3**.

30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING

With reference to Section 134(3)(m) of the Companies Act, 2013, the details of conservation of energy, technology absorption and foreign exchange earnings are as per **Annexure - 4**.

31. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules 2014; the Board has undertaken the CSR activities as per Rule 4 of Companies (Corporate Social Responsibility Policy) Rules, 2014. The details of CSR activities for the financial year 2019-2020 forms part of this Board report in **Annexure – 5**.

32. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, the Management Discussion and Analysis Report is given in **Annexure - 6**.

33. SECRETARIAL AUDITOR

Your board has appointed Mr. Ranjit Kejriwal, Practicing Company Secretary, as secretarial Auditor of the company for the period of 5 consecutive years starting from financial year 2019-2020. The secretarial report for the financial year 2019-2020 is attached as **Annexure-7**. Report of secretarial auditor is self-explanatory and need not any further clarification.

34. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There was no employee drawing remuneration in excess of limits prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Disclosure pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as per **Annexure - 8**.

The detailed remuneration policy of the Company is available on the below link:

<http://bhatiamobile.com/wp-content/uploads/2020/06/Remunreation-Policy-1.pdf>

35. CEO/ CFO CERTIFICATION

In terms of Regulation 17(8) of the Listing Regulations, the CFO has certified to the Board of Directors of the Company with regard to the financial statements and other matters specified in the said regulation for the financial year 2019-2020. The certificate received from CFO is attached herewith as per **Annexure – 9**.

36. CODE OF CONDUCT

Being a SME listed Company exemption has been provided to the Company from formulating of Code of Conduct for Board of Directors and Senior Management Personnel. However, Board of Directors has formulated and adopted Code of Conduct for Board of Directors and Senior Management Personnel from January 19, 2018. During the year, Board of Directors and Senior Management Personnel has complied with general duties, rules, acts and regulations. In this regard certificate from Managing Directors as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received by the Board and the same is attached herewith as per **Annexure – 10**.

Code of Conduct form Board of Directors and Senior Management Personnel effective from February 15, 2018 is available on below link: <http://bhatiamobile.com/wp-content/uploads/2018/08/Code-of-Conduct.pdf>

37. COMPLIANCE CERTIFICATE FROM THE AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

Corporate Governance is a set of process, practice and system which ensure that the Company is managed in a best interest of stakeholders. The key fundamental principles of corporate governance are transparency and accountability. At Bhatia, Company's core business objective is to achieve growth with transparency, accountability and with independency. Company has adopted various corporate governance standard and doing business in ethical way by which Company has enhance stakeholders trust, shareholders wealth creation by improving shares valuation, market capitalization, etc.

A certificate received from M/s R. Kejriwal & Co., Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance, as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith as per **Annexure – 11**.

38. DISCLOSURE REGARDING UTILIZATION OF IPO FUNDS

The details regarding the funds utilized by the company from proceeds of IPO upto 30/09/2019 is attached herewith as **Annexure 12**. The Fund has been fully utilized on 30/09/2019 and no pending on 31/03/2020.

39. CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

Mr. Ranjit Kejriwal, Practicing Company Secretary has issued a certificate required under the listing regulations, confirming that none of the Directors on the Board of the company has been debarred or disqualified from being appointed or continuing as director of the company by SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **Annexure 13**.

40. SEXUAL HARASSMENT OF WOMEN

Your company adopted policy of "Prevention of Sexual Harassment of Women at Workplace". There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under. The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of any such complaints of harassment, internal complaints committee has been set up to redress the complaints, if any.

The company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your director's further state that 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.

41. SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

42. FRAUD REPORTING

During the year under review, no fraud has been reported by Auditors under Section 143(12) of the Companies Act, 2013.

43. MAINTENANCE OF COST RECORDS

The company is not required to maintain Cost Records as specified by Central Government under section 148(1) of the Companies Act, 2013, and accordingly such accounts and records are not made and maintained.

44. INSURANCE:

All the properties and the Insurable Interest of the company Including building and stocks wherever necessary and to the extent required have been adequately insured. The company keeps reviewing the insurance amount every year as per requirement.

45. STATUTORY INFORMATION

The Company being basically engaged into the retail and whole sell distribution business of mobile handsets, tablets, data-cards, Television, mobile accessories, mobile related products and is the member of BSE SME Platform. Apart from this business, the Company is not engaged in any other business/activities.

46. APPRECIATION

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment and express their sincere thanks and appreciation to all the employees for their continued contribution, support and co-operation to the operations and performance of the company.

47. ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

Place: Surat

Date:20.08.2020

For the Board of Director
Bhatia Communications & Retail (India) Limited

Sd/-

Sanjeev Harbanslal Bhatia

Managing Director

DIN: 02063671

Sd/-

Nikhil Harbanslal Bhatia

Whole Time Director

DIN:02063706

Annexure-1

FORM MGT 9 EXTRACT OF ANNUAL RETURN

as on the Financial Year ended 31.03.2020

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

I	CIN	L32109GJ2008PLC053336
ii	Registration Date	25/03/2008
iii	Name of the Company	Bhatia Communications & Retail (India) Limited
iv	Category/ Sub-category of the Company	Public Limited by shares/Indian Non-Government Company
V	Address of the Registered office & Contact detail	132, Dr. Ambedkar Shopping Centre, Ring Road, Surat-395002, Gujarat Ph: 0261-2349892 Email: info@bhatiamobile.com Website: www.bhatiamobile.com
Vi	Weather listed Company	Yes
Vii	Name , Address & contact details of the Registrar & Transfer Agent, if any	Purva Sharegistry (India) Private Limited. Unit No. 9 Shiv Shakti Ind. Estt., J. R. Boricha Marg, Lower Parel (E), Mumbai-400011, Maharashtra, Ph: No. 022-23016761/2518 Fax: 022-2301 2517 Email: support@purvashare.com Website: www.purvashare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SR. No.	Name and Description of products/ service	NIC Code of the Product/ service	% to total turnover of the Company
1	Retail sale of Mobile Phone and telecommunication equipment and parts	47414	89.86%
2	Other Income	64199	10.14%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SR. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of Share held	Applicable Sec. of Companies Act, 2013
NIL					

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of total Equity)

i. Category-wise Share Holding

Category of shareholders	No of shares held at the beginning of the year (as on 31.03.2019)				shareholding at the end of the year (as on 31.03.2020)				%Change during the year (9-5)
	Demat	Physical	Total	% of total shares	Demat	physical	Total	% of total shares	
	2	3	4	5	6	7	8	9	10
A. Promoters									
(1) Indian									
Individuals / Hindu Undivided Family	9215200	0	9215200	73.63	9215200	0	9215200	73.63	0.00
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00

Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1)	9215200	0	9215200	73.63	9215200	0	9215200	73.63	0.00
(2) Foreign		0	0	0.00		0	0	0.00	0.00
Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	9215200	0	9215200	73.63	9215200	0	9215200	73.63	0.00
B. Public Shareholding	0	0	0	0	0	0	0	0	0
(1) Institutions	0	0	0	0	0	0	0	0	0
Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (1)	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non-Institutions	0	0	0	0	0	0	0	0	0
Bodies Corporate	0	0	0	0	0	0	0	0	0
i) Indian	522000	0	522000	4.17	848000	0	848000	6.78	2.60
ii) Overseas	0	0	0	0	0	0	0	0	0
Individuals									
Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh	466000	0	466000	3.72	466000	0	466000	3.72	0
Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	1381990	0	1381990	11.04	1374000	0	1374000	10.98	-0.06
Any Other (Specify)									
LLP	3992	0	3992	0.03	4000	0	4000	0.03	0.00
Non Resident Indians	26000	0	26000	0.21	26000	0	26000	0.21	0.00
HUF	219996	0	219996	1.76	194000	0	194000	1.55	-0.21
Clearing Member	4022	0	4022	0.03	14000	0	14000	0.11	0.08
Other Directors & their relatives	84000	0	84000	0.67	84000	0	84000	0.67	0.00
Market Makers	592000	0	592000	4.73	290000	0	290000	2.32	-2.41
Sub-total (B) (2)	3300000	0	3300000	26.37	3300000	0	3300000	26.37	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)	3300000	0	3300000	26.37	3300000	0	3300000	26.37	0.00

TOTAL (A)+(B)	12515200	0	12515200	100.00	12515200	0	12515200	100.00	0.00
C. Shares held by Custodians Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	12515200	0	12515200	100.00	12515200	0	12515200	100.00	0.00

ii. Shareholding of Promoters

S No	shareholders Name	Shareholding at the beginning of the year 31.03.2019			shareholding at the end of the year- 31.03.2020			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares pledged/encumbered to total shares	
1	SANJEEV HARANSLAL BHATIA	4260000	34.04	0	4260000	34.04	0	0.00
2	HEMA SANJEEV BHATIA	122266	0.98	0	122266	0.98	0	0.00
3	NIKHIL HARBANSLAL BHATIA	4832854	38.61	0	4832854	38.61	0	0.00
4	KAMALESHKUMARI HARBANSLAL BHATIA	26	0.00	0	26	0.00	0	0.00
5	NARESHKUMAR BRIJLAL BHATIA	26	0.00	0	26	0.00	0	0.00
6	GARIMA NIKHIL BHATIA	28	0.00	0	28	0.00	0	0.00

iii. Change in Promoters' Shareholding (Please specify, if there is no change)

There Is No Such Change.

SR. NO	PROMOTER	Shareholding at the beginning of the year			DATE	(+)INCREASE/(-)DECREASE IN SHARE HOLDING	REASON	Shareholding at the end of the year	
		No Of Shares	% Of Total Shares Of The Company					No Of Shares	% Of Total Shares Of The Company
1	SANJEEV HARBANSLAL BHATIA	4260000	34.04		01.04.2019			4260000	34.04
									31.03.2020
2	HEMA SANJEEV BHATIA	122266	0.98		01.04.2019			122266	0.98
									31.03.2020
3	NIKHIL HARBANSLAL BHATIA	4832854	0.58		01.04.2019			4832854	38.62
									31.03.2020
4	GARIMA NIKHIL BHATIA	28	0.00		01.04.2019			28	0.00
									31.03.2020
5	KAMALESHKUMARI HARBANSLAL BHATIA	26	0.00		01.04.2019			26	0.00
									31.03.2020
6	NARESH BRIJLAL BHATIA	26	0.00		01.04.2019			26	0.00
									31.03.2020

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

SR.NO	Name of Shareholders	Shareholding at the beginning of the year			DATE	(+)INCREASE/(-)DECREASE IN SHARE HOLDING	REASON	Shareholding at the end of the year	
		No Of Shares	% Of Total Shares Of The Company					No Of Shares	% Of Total Shares Of The Company
1	NNM SECURITIES PVT LTD.	592000	4.73		05/04/2019	2000	Buy	594000	4.75
									12/04/2019

				19/04/2019	-74000	Sell	598000	4.78
				26/04/2019	-24000	Sell	574000	4.59
				03/05/2019	4000	Buy	578000	4.62
				10/05/2019	-22000	Sell	556000	4.44
				17/05/2019	-18000	Sell	538000	4.30
				07/06/2019	4000	Buy	542000	4.33
				14/06/2019	-6000	Sell	536000	4.28
				12/07/2019	6000	Buy	542000	4.33
				13/09/2019	-38000	Sell	504000	4.03
				20/09/2019	-104000	Sell	400000	3.20
				27/09/2019	-6000	Sell	394000	3.15
				04/10/2019	-112000	Sell	282000	2.25
				18/10/2019	-34000	Sell	248000	1.98
				25/10/2019	12000	Buy	260000	2.08
				01/11/2019	-10000	Sell	250000	2.00
				08/11/2019	-40000	Sell	210000	1.68
				22/11/2019	-18000	Sell	192000	1.53
				06/12/2019	2000	Buy	194000	1.55
				13/12/2019	52000	Buy	246000	1.97
				27/12/2019	6000	Buy	252000	2.01
				06/03/2020	26000	Buy	278000	2.22
				13/03/2020	2000	Buy	280000	2.24
				20/03/2020	10000	Buy	290000	2.32
				31/03/2020			290000	2.32
2	NEWEDGE VINIMAY PRIVATE LIMITED	172000	1.37	05/04/2019	-4000	Sell	168000	1.34
				12/04/2019	-168000	Sell	0	0.00
				04/10/2019	82000	Buy	82000	0.66
				25/10/2019	-2000	Sell	80000	0.64
				08/11/2019	6000	Buy	86000	0.69
				22/11/2019	2000	Buy	88000	0.70
				06/12/2019	-52000	Sell	36000	0.29
				27/12/2019	-6000	Sell	30000	0.24
				31/03/2020			30000	0.24
3	INTERNATIONAL FINANCIAL SERVICES LTD.	125000	1.00	27/09/2019	-125000	Sell	0	0.00
				31/03/2020			0	0.00
4	SUNDERLAL GOPALDASS BHATIA	65990	0.53	30/09/2019	10	Buy	66000	0.53
				31/03/2020			66000	0.53
5	SUNCARE TRADERS LIMITED	64000	0.51	12/07/2019	4000	Buy	68000	0.54
				04/10/2019	12000	Buy	80000	0.64
				01/11/2019	-30000	Sell	50000	0.40
				31/03/2020			50000	0.40
6	MIKER FINANCIAL CONSULTANTS PVT LTD	64000	0.51	12/04/2019	34000	Buy	98000	0.78
				26/04/2019	8000	Buy	106000	0.85
				10/05/2019	22000	Buy	128000	1.02
				17/05/2019	44000	Buy	172000	1.37
				31/05/2019	2000	Buy	174000	1.39
				07/06/2019	8000	Buy	182000	1.45

				14/06/2019	4000	Buy	186000	1.49
				28/06/2019	2000	Buy	188000	1.50
				30/08/2019	2000	Buy	190000	1.52
				18/10/2019	34000	Buy	224000	1.79
				01/11/2019	30000	Buy	254000	2.03
				08/11/2019	40000	Buy	294000	2.35
				22/11/2019	16000	Buy	310000	2.48
				29/11/2019	18000	Buy	328000	2.62
				31/03/2020			328000	2.62
7	SHYAM KIRAN PARIKH	64000	0.51	-				
				31/03/2020			64000	0.51
8	VIJAY ISHWARLAL BHAVNANI	60000	0.48	-				
				31/03/2020			60000	0.48
9	ACHARYA POLYFAB	56000	0.45	-				
				31/03/2020			56000	0.45
10	RAMESHKUMAR GYANCHAND JAIN	54000	0.43	-				
				31/03/2020			54000	0.43
11	RAHUL RAMESH JAIN	54000	0.43	-				
				31/03/2020			54000	0.43
12	ROHITKUMAR RAMESHBHAI JAIN	54000	0.43	-				
				31/03/2020			54000	0.43
13	SHING SEEMA V	54000	0.43	-				
				31/03/2020			54000	0.43
14	ISHWARLAL J BHAVNANI	54000	0.43	-				
				31/03/2020			54000	0.43
15	POOJA VIJAY BHAVNANI	54000	0.43	-				
				31/03/2020			54000	0.43
16	NITU TRADING COMPANY LIMITED	0	0.00	19/04/2019	74000	Buy	74000	0.59
				25/10/2019	100000	Buy	174000	1.39
				01/11/2019	22000	Buy	196000	1.57
				31/03/2020			196000	1.57
17	INTELLECT STOCK BROKING LIMITED	0	0.00	13/09/2019	32000	Buy	32000	0.26
				20/09/2019	104000	Buy	136000	1.09
				20/03/2020	-10000	Sell	126000	1.01
				27/03/2020	-4000	Sell	122000	0.97
				31/03/2020			122000	0.97
18	ANAND KUMAR NATHMAL GADODIA	0	0.00	12/04/2019	60000	Buy	60000	0.48
				31/03/2020			60000	0.48

v. Shareholding of Director's & Key Managerial Personnel

SR. NO	Director/KMP	Shareholding at the beginning of the year			DATE	(+)/INCREASE/(-) DECREASE IN SHARE HOLDING	REASON	Shareholding at the end of the year	
		No Of Shares	% Of Total Shares Of The Company	No Of Shares				% Of Total Shares Of The Company	
1	SANJEEV HARBANSLAL BHATIA	4260000	34.04	01.04.2019	-	-	4260000	34.04	
				31.03.2020	-	-	4260000	34.04	

2	NIKHIL HARBANSLAL BHATIA	4832854	38.62	01.04.2019	-	-	4832854	38.62
				31.03.2020	-	-	4832854	38.62
3	RASHMI KAPIL ARORA	32000	0.26	01.04.2019	-	-	32000	0.26
				31.03.2020	-	-	32000	0.26
4	RACHIT NARESH NARANG	20000	0.16	01.04.2019	-	-	20000	0.16
				31.03.2020	-	-	20000	0.16
5	RAVINDRA ARUNRAO SOJAL	6000	0.05	01.04.2019	-	-	6000	0.05
				31.03.2020	-	-	6000	0.05
6	KAMLESHKUMARI HARBANSLAL BHATIA	26	0.00	01.04.2019	-	-	26	0.00
				31.03.2020	-	-	26	0.00

V. INDEBTEDNESS

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the year				
I. Principle Amount	5,19,84,391	51,60,862	0	5,71,45,253
II. Interest due but not paid	0	0	0	
III. Interest accrued but not due	0	0	0	
Total (I+II+III)	5,19,84,391	51,60,862	0	5,71,45,253
Change in Indebtedness during the financial year				
Additions	3,91,47,797	1,53,40,725	0	5,44,88,522
Reduction	0	0	0	0
Net Change	3,91,47,797	1,53,40,725	0	5,44,88,522
Indebtedness at the end of the financial year				
I. Principle Amount	9,11,32,188	2,05,01,587	0	11,16,33,775
II. Interest due but not paid	0	0	0	0
III. Interest accrued but not due	0	0	0	0
Total (I+II+III)	9,11,32,188	2,05,01,587	0	11,16,33,775

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD		Total Amount
		Sanjeev Harbanslal Bhatia (MD)	Nikhil Harbanslal Bhatia (WTD)	
1.	Gross Salary			
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	24,00,000	24,00,000	48,00,000
b.	Value of perquisites u/s 17(2) of Income Tax Act, 1961	NIL	NIL	NIL
c.	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL
2.	No. of Stock option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission			
	As % of profit	NIL	NIL	NIL
	Others (specify)	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total	24,00,000	24,00,000	48,00,000
	Celling as per the Act	Rs. 78,08,287		

B. Remuneration to other Directors

(Amount in Rs.)

Sr. No.	Particulars	Name of Directors			Total Amount
		Rashmi Kapil Arora	Rachit Naresh Narang	Arpit Arunkumar Jain	
1.	Independent Directors				
a.	Fees for attending Board/ Committee meetings	NIL			
b.	Commission	NIL			
c.	Others	NIL			
	Total (1)	NIL			
2.	Other Non-Executive Directors	Kamleshkumari Harbanslal Bhatia			
a.	Fees for attending Board/ Committee meetings	NIL			
b.	Commission	NIL			
c.	Others	NIL			
	Total (2)	NIL			
	Total (1+2)	NIL			
	Total Managerial Remuneration	NIL			
	Overall Managerial Remuneration	NIL			
	Celling as per the Act	Rs. 78,08,287			

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

(Amount in Rs.)

Sr. No.	Particulars	Key Managerial Personnel		Total
		Ravindra Arunrao Sojal (CFO)	Mittal Narendrabhai Shah (CS)	
1.	Gross Salary			
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4,32,000	90,000	5,22,000
b.	Value of perquisites u/s 17(2) of Income Tax Act, 1961	61,000	0.00	61,000
c.	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2.	No. of Stock option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission			
	As % of profit	0.00	0.00	0.00
	Others (specify)	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total	4,93,000	90,000	5,83,000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY			NIL		
Penalty					
Punishment					
Compounding					
B. DIRECTORS			NIL		
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS			NIL		
Penalty					
Punishment					
Compounding					

Place: Surat
Date:20.08.2020

For the Board of Director
Bhatia Communications & Retail (India) Limited

Sd/-
Sanjeev Harbanslal Bhatia
Managing Director
DIN: 02063671

Sd/-
Nikhil Harbanslal Bhatia
Whole Time Director
DIN:02063706

Annexure-2

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contract/s/arrangements/transactions	Duration of the contract/s/arrangements/transactions	Salient terms of the contracts or agreement or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advance, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL								

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient term of the contracts or arrangements or transactions including the value, if any	Date(s) if approval by the Board, if any	Amount paid as advanced, if any
1	Garima Bhatia, Relative of Director	Rent Paid	Annually	Rent per annum Rs.1,20,000/-	04/04/2019	NIL
2	Harbansal Bhatia (HUF), HUF of Director	Interest	On Demand	15% interest on unsecured loan	04/04/2019	NIL
3	Hema Bhatia, Relative of Director	Rent Paid	Annually	Rent per annum Rs. 4,50,000/-	04/04/2019	NIL
4	Kamleshkumari Bhatia, Director *	Rent Paid	Annually	Rent per annum Rs. 12,00,000/-	04/04/2019	NIL
5	Nikhil Bhatia, Director	Interest	On Demand	09% interest on unsecured loan	04/04/2019	NIL
		Salary Paid	Monthly	Salary per month Rs. 2,00,000/-	04/04/2019	NIL
		Rent paid	Annually	Rent per annum Rs. 10,20,000	04/04/2019	NIL
6	Nikhil Bhatia (HUF), HUF of Director	Purchase & Sales	Annually	At prevailing Market Price	04/04/2019	NIL
7	Sanjeev Bhatia, Director	Interest	On Demand	09% interest on unsecured loan	04/04/2019	NIL
		Salary Paid	Monthly	Salary per month Rs. 2,00,000/-	04/04/2019	NIL
		Rent Paid	Annually	Rent Per annum Rs. 17,70,000/-	04/04/2019	NIL
8	Naresh Telecommunication (Naresh Bhatia HUF), Firm of Relative of Director	Purchase	Annually	At prevailing Market Price	04/04/2019	NIL
9	SNV Distributors Pvt. Ltd., Common Director	Purchase & Sales	Annually	At prevailing Market Price	04/04/2019	NIL
10	E Parisar Tech Private Limited, Common Director	Purchase & Sales	Annually	At prevailing Market Price	04/04/2019	NIL

11	Telecity Enterprises LLP, Director is Partner	Purchase	Annually	At prevailing Market Price	04/04/2019	NIL
12	Modern Commoddeal Pvt Ltd, Director is Shareholder	Sales	Annually	At prevailing Market Price	04/04/2019	NIL
13	Ravindra Sojal, CFO	Salary	Monthly	Rs. 30,000/- upto June, 2019 and Rs. 38,000/- from July, 2019	04/04/2019	NIL
14	Harshita Sojal, Wife of CFO	Salary	Monthly	Salary per month Rs. 23,000/-	04/04/2019	NIL
15	Mittal Narendrabhai Shah, Company Secretary	Salary	Monthly	Salary per month Rs. 15,000/-	12/04/2019	NIL

* Appointed as an Additional Director on 30.03.2020

Place: Surat

Date:20.08.2020

For the Board of Director

Bhatia Communications & Retail (India) Limited

Sd/-

Sanjeev Harbanslal Bhatia

Managing Director

DIN: 02063671

Sd/-

Nikhil Harbanslal Bhatia

Whole Time Director

DIN:02063706

Annexure-3

CORPORATE GOVERNANCE REPORT

In terms of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the report containing details of corporate governance systems and processes at Bhatia Communications & Retail (India) Limited is as under:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance and has benchmarked itself against the prescribed standards. The fundamental objective of Corporate Governance is the enhancement of shareholders' value and protecting the interest of the stakeholders. Your Company's philosophy of Corporate Governance is aimed at assisting the management in the efficient conduct of the business of the Company and in the meeting its obligations to shareholders and others.

2. BOARD OF DIRECTORS

The Board of Directors of the Company (Board) has optimum combination of Executive and Non-Executive Directors comprising two Executive Directors and three Non-Executive Directors. None of the Directors hold directorship in more than 20 public limited companies nor is a member of more than 10 committees or chairman of more than 5 committees across all the public limited companies in which they are Directors.

(a) Board Strength and representation:

As on 31st March, 2020 the Board of Directors comprises of Six directors out of which one is Executive Managing Director, one is Executive Whole Time Director, One is Non-Executive Additional Director and remaining three are Non-Executive Independent Directors. As on date of this report Board of Directors of the company is as follows:

Name of Directors	Category & Designation
Mr. Sanjeev Harbanslal Bhatia	Executive Managing Director
Mr. Nikhil Harbanslal Bhatia	Executive Whole Time Director
Mrs. Kamleshkumari Harbanslal Bhatia	Non-Executive Additional Director (Appointed as on 30.03.2020)
Mr. Rachit Naresh Narang	Non-Executive Independent Director
Mrs. Rashmi Kapil Arora	Non-Executive Independent Director
Mr. Arpit Arunkumar Jain	Non-Executive Independent Director

(b) The Details of Directorship held by the Directors as on 31st March, 2020 and their attendance at the Board meetings during the year are as follows:

Name of the Directors	Category of Director	No. of other Directors	No. of other Board Committee(s) in which he is		Attendance at last AGM	Attendance at Board Meetings	No. of Shares held as on 31.03.2020
			Member	Chairman			
Sanjeev Harbanslal Bhatia	MD PD ED	2	NIL	NIL	YES	10	42,60,000
Kamleshkumari Harbanslal Bhatia *	AD PD NED	NIL	NIL	NIL	NA	0	26
Nikhil Harbanslal Bhatia	WTD PD ED	1	NIL	NIL	YES	11	48,32,854
Rachit Naresh Narang	ID/NED	NIL	NIL	NIL	YES	11	20,000
Rashmi Kapil Arora	ID/NED	1	NIL	NIL	YES	10	32,000
Arpit Arunkumar Jain	ID/NED	NIL	NIL	NIL	YES	11	NIL

*Appointed on 30/03/2020

PD – Promoter Director, NED – Non Executive Directors, MD – Managing Directors, ED – Executive Director, WTD – Whole Time Director, ID – Independent Director, AD- Additional Director

(c) Details of number of Board Meetings held in the financial year.

During the financial year 2019-2020, there were **Eleven (11) Board meetings** held on following dates:

04/04/2019	12/04/2019	30/05/2019	12/07/2019
09/08/2019	27/09/2019	10/10/2019	14/11/2019
15/01/2020	16/03/2020	30/03/2020	

(d) Disclosure of Relationships between Directors inter-se:

No other Directors are related to each other except Mr. Sanjeev Harbanslal Bhatia and Mr. Nikhil Harbanslal Bhatia, who are related to each other as brothers and Mrs. Kamleshkumari Harbanslal Bhatia is Mother of Mr. Sanjeev Harbanslal Bhatia and Mr. Nikhil Harbanslal Bhatia.

(e) Number of shares and convertible instruments held by non-executive Directors

Except as disclosed below none of the Non-Executive Directors hold any share in the Company.

Sr. No.	Name of Non Executive Director	No. of Shares Held
1	Rashmi kapil Arora	32,000
2	Rachit Naresh Narang	20,000
3	Kamleshkumari Harbanslal Bhatia	26

(f) Familiarization to Independent Directors:

The newly appointed Independent Directors of the Company are familiarized with the various aspects of the Company provided with an overview of the requisite criteria of independence, roles, rights, duties and responsibilities of directors, terms of appointment of the Company and policies of the Company and other important regulatory aspects as relevant for directors. The Company, through its Executive Director or Manager as well as other Senior Managerial Personnel, conducts presentations/programs to familiarize the Independent Directors with the strategy, operations and functions of the Company inclusive of important developments in business. The details of number of programmes attended and the cumulative hours spent by an independent director are uploaded on the website of the company. The web link is <http://bhatiamobile.com/wp-content/uploads/2020/07/Familiarization-Programme-for-Independent-Directors.pdf>

(g) Meeting of Independent Directors

The Company's independent directors meet at least once in a financial year without the presence of executive directors and management personnel to review the performance of Non-Independent Directors and Board as whole.

The Company has devised the Policy on Familiarization Programme for Independent Director and the same is available on the website of the Company www.bhatiamobile.com

During the financial year 2019-2020, **one (1) meeting** of Independent Directors were held on following dates: 16/03/2020.

Attendance of Directors at independent Directors meeting held during the financial year is as under:

Name	Categories	No. of Meeting Attended
Mr. Arpit Arunkumar Jain	Chairman	1
Mrs. Rashmi Kapil Arora	Member	1
Mr. Rachit Naresh Narang	Member	1

(h) Matrix highlighting core skills/expertise/competencies of the Board of Directors:

The Board of Directors have identified the following skills required for the Company and the availability of such skills with the Board:

Sr. No.	Essential Core skills/expertise/competencies required for the Company	Core skills/expertise/competencies of the Board of Directors
1.	Strategic and Business Leadership in Retail industry	The Directors have eminent experience in trading Mobile Phones & Accessories, Tablets, LED TVs and other Electronic Equipments.
2.	Finance expertise	The Board has eminent business leaders with deep Knowledge of finance and business.
3.	Personal Values	Personal characteristics matching the Company's values, such as integrity, accountability, and high performance standards.
4.	Good Corporate Governance	Experience in developing and implementing good Corporate Governance practice, maintaining Board and Management accountability, managing stakeholder's interest and Company's responsibility towards customer's employees, supplier, regulatory Bodies and the community in which it operates.
5.	Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and enhance enterprise reputation.

(i) Names of Directors who have such Skills / Expertise / Competence:

Sr. No	Name of Directors	Strategic and Business Leadership in Retail industry	Finance expertise	Personal Values	Good Corporate Governance	Sales and Marketing
1.	Mr. Sanjeev Harbanslal Bhatia	✓	✓	✓	✓	✓
2.	Mr. Nikhil Harbanslal Bhatia	✓	✓	✓	✓	✓
3.	Mrs. Kamleshkumari Harbanslal Bhatia	✓		✓		✓
4.	Mrs. Rashmi Kapil Arora	✓	✓	✓	✓	✓
5.	Mr. Arpit Arunkumar Jain	✓	✓	✓	✓	
6.	Mr. Rachit Naresh Narang	✓		✓	✓	✓

(i) Independent Directors confirmation by the Board

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 and the SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

All the independent directors have enrolled with the Indian Institute of Corporate Affairs at 'Manesar' for exam of "Online Self Assessment Test".

(j) Detailed reasons of the resignation of an Independent Directors before expiry of his tenure and confirmation by the Board:

During the year no Independent Directors resigned.

3. AUDIT COMMITTEE

The Audit Committee of the company consists of two Independent Directors and one Executive Director of the Company. All the Directors have good understanding Finance, Accounts and Law. Composition of audit committee of the company is as follows:

Name	Categories	Nature of Directorship
Mr. Arpit Arunkumar Jain	Chairman	Non-Executive Independent Director
Mrs. Rashmi Kapil Arora	Member	Non-Executive Independent Director
Mr. Rachit Naresh Narang*	Member	Non-Executive Independent Director
Mr. Sanjeev Harbanslal Bhatia	Member	Executive Director

Mr. Rachit Naresh Narang had added as Member in the Committee w.e.f. 10.10.2019

During the financial year 2019-2020, **Five (5) meetings** of Audit Committee were held on following dates:

04/04/2019	30/05/2019	09/08/2019
14/11/2019	28/02/2020	

Attendance of members for the meeting of Audit Committee held during the year 2019-2020 is as below:

Name	Categories	No. of Meeting Attended
Mr. Arpit Arunkumar Jain	Chairman	5
Mrs. Rashmi Kapil Arora	Member	4
Mr. Rachit Naresh Narang	Member	2
Mr. Sanjeev Harbanslal Bhatia	Member	4

The term of reference of Audit Committee is as below:

The scope of audit committee shall include, but shall not be restricted to, the following;

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Scrutiny of inter-corporate loans and investments;
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
6. Reviewing, with the management, the Half Yearly financial statements before submission to the board for approval;
7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
9. 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;
10. Discussion with internal auditors any significant findings and follow up there on;
11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
14. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
15. 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 assessing the qualifications, experience & background, etc. of the candidate;
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
17. Valuation of undertakings or assets of the company, where ever it is necessary.
18. Evaluation of internal financial controls and risk management systems;
19. Monitoring the end use of funds raised through public offers and related matters.
20. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

4. NOMINATION AND REMUNERATION COMMITTEE

Company has formulated nomination and remuneration committee comprising three non-executive directors. Composition of the Committee is as follows:

Name	Categories	Nature of Directorship
Mr. Arpit Arunkumar Jain	Chairman	Non-Executive Independent Director
Mrs. Rashmi Kapil Arora	Member	Non-Executive Independent Director
Mr. Rachit Naresh Narang	Member	Non-Executive Independent Director

During the financial year 2019-2020, **Two (2) meetings** of Nomination & Remuneration Committee were held on following dates:

12/04/2019	30/03/2020
------------	------------

Attendance of members for the meeting of Nomination & Remuneration Committee held during the year 2019-2020 is as below:

Name	Categories	No. of Meeting Attended
Mr. Arpit Arunkumar Jain	Chairman	2
Mrs. Rashmi Kapil Arora	Member	2
Mr. Rachit Naresh Narang	Member	2

The term of reference of Nomination & Remuneration Committee is as below:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
4. Devising a policy on Board diversity, if any;

5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. recommend to the board, all remuneration, in whatever form, payable to senior management.
8. To ensure the policy includes the following guiding principles:
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully,
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
 - Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The performance evaluation of the independent director was evaluated by the board after seeking inputs from all the independent directors on the basis of the criteria such as participation in decision making and rendering unbiased opinion; participation in initiating new ideas and planning of the company etc.

The board reviewed the performance of the independent directors on the basis of the criteria such as the contribution in raising concerns to the Board, safeguarding of confidential information, rendering independent unbiased opinion etc. The web link is <http://bhatiamobile.com/wp-content/uploads/2018/05/Performance-Evaluation-Policy.pdf>

5. REMUNERATION OF DIRECTORS

During the year company has paid following remuneration or setting fees to the directors as follows:

Name	Category	Remuneration / Sitting Fees (In Rs.)
Sanjeev Harbanslal Bhatia	Executive Managing Director	24,00,000
Nikhil Harbanslal Bhatia	Executive Whole Time Director	24,00,000
Kamleshkumari Harbanslal Bhatia *	Non-Executive Additional Director	NIL
Rashmi Kapil Arora	Non-Executive Independent Director	NIL
Arpit Arunkumar Jain	Non-Executive Independent Director	NIL
Rachit Naresh Narang	Non-Executive Independent Director	NIL

* Appointed on 30/03/2020

REMUNERATION POLICY

The Company has adopted and implemented the Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 which is available on the website of the Company <http://bhatiamobile.com/wp-content/uploads/2020/06/Remuneration-Policy-1.pdf>

The remuneration payable to Directors, Key Managerial Personnel and Senior Management Person will involve a balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the Company and support in the achievement of Corporate Goals.

Presently the company doesn't pay any sitting fees to its non executive director. The criteria for making payment to the non executive director is available on the website of the company <http://bhatiamobile.com/wp-content/uploads/2019/04/Terms-and-Condition-of-Appointment-of-Independent-Director.pdf>

6. STAKEHOLDER'S RELATIONSHIP COMMITTEE

The term of reference of Nomination & Remuneration Committee is as below:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.

3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

To solve the investors grievances Company has formulated Stakeholder's Relationship Committee. Composition of the Committee is as follows:

Name	Categories	Nature of Directorship
Mrs. Rashmi Kapil Arora	Chairman	Non-Executive Independent Director
Mr. Arpit Arunkumar Jain	Member	Non-Executive Independent Director
Mr. Sanjeev Harbanslal Bhatia	Member	Executive Managing Director

During the financial year 2019-2020, **Fours (4) meetings** of Stakeholder's Relationship Committee were held on following dates:

30/05/2019	09/08/2019	14/11/2019	16/03/2020
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Attendance of members for the meeting of Stakeholder's, Shareholders and Investor Committee held during the year 2019-2020 is as below:

Name	Categories	No. of Meeting Attended
Mrs. Rashmi Kapil Arora	Chairman	3
Mr. Arpit Arunkumar Jain	Member	4
Mr. Sanjeev Harbanslal Bhatia	Member	3

Name & Designation and address of the Compliance Officer

CS Avani Karansingh Chaudhari (Resigned on 12/04/2019)

CS Mittal Narendrabhai Shah (Appointed on 12/04/2019)

Company Secretary & Compliance Officer

Bhatia Communications & Retail (India) Limited

132, Dr. Ambedkar Shopping Centre,

Ring Road, Surat GJ 395002

Pursuant to the Regulation 13(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; the details regarding investor's complaints are as follows:

Status of Complaints pending, received, disposed and unresolved:

Number of Shareholders' Complaints Pending at the end of the year	NIL
Number of Shareholders' Complaints received during the year	NIL
Number of Shareholders' Complaints disposed during the year	NIL
Number of Shareholders' Complaints remain unresolved during the year	NIL

7. CSR COMMITTEE

Your Company has constituted a Corporate Social Responsibility committee ("CSR Committee"). The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

Composition of the Corporate Social Responsibility committee ("CSR Committee") and attendance at Meetings:

The composition of CSR Committee has been as under;

Name	Categories	Nature of Directorship
Mr. Sanjeev Harbanslal Bhatia	Chairman	Executive Managing Director
Mr. Nikhil Harbanslal Bhatia	Member	Executive Whole Time Director
Mr. Rachit Naresh Narang	Member	Non-Executive Independent Director

During the financial year 2019-2020, **Two (2) meetings** of Stakeholder's Relationship Committee were held on following dates:

14/11/2019	16/03/2020
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Attendance of members for the meeting of Stakeholder's, Shareholders and Investor Committee held during the year 2019-2020 is as below:

Name	Categories	No. of Meeting Attended
Mr. Sanjeev Harbanslal Bhatia	Chairman	2
Mr. Nikhil Harbanslal Bhatia	Member	2
Mr. Rachit Naresh Narang	Member	2

CSR POLICY

The company's policy disseminated at <http://bhatiamobile.com/wp-content/uploads/2019/04/CSR-Policy.pdf> As per Section 135(5) Companies Act, 2013, an amount of 2 percent of the average net profits of the company made during the three immediately preceding financial years which works out to Rs. **13,32,192/-** is to be spent towards Corporate Social Responsibility Activities. The detailed Report on the CSR Activities is annexed at **Annexure-5**.

8. GENERAL BODY MEETING

The details of Annual General Meetings held during the last three years are as follows:

Year	Day, Date and Time	Venue
2016-17	Saturday, 30 th September, 2017 at 11:00 A.M.	132, Dr. Ambedkar Shopping Centre, Ring Road, Surat -395002 Gujarat
2017-18	Tuesday, 25 th September, 2018 at 11:00 A.M.	132, Dr. Ambedkar Shopping Centre, Ring Road, Surat -395002 Gujarat
2018-19	Monday, 09 th September, 2019 at 11:00 A.M.	132, Dr. Ambedkar Shopping Centre, Ring Road, Surat -395002 Gujarat

The details of Resolution(s) which were passed in the last three Annual General Meetings ("AGM") of the Company along with details of Postal Ballot & voting pattern are as follows:

Date of AGM	Resolution	Ordinary/ Special	Favor		Against	
			Ballot	E-Voting	Ballot	E-Voting
30th September, 2017	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	All the resolutions were passed unanimously, no ballot or E-voting process has been done		All the resolutions were passed unanimously, no ballot or E-voting process has been done	
	Appointment of Statutory Auditor	Ordinary				
	Bonus issue of 30,90,600 Equity Shares	Special				
	Conversion of 37,500 5% Non Cumulative Preference shares into 37,500 Equity shares	Special				
	Amendment in Authorized Share Capital	Special				
25th September, 2018	Adoption of Annual Accounts, Auditor's & Director's Report	Ordinary	2502600	2506000	0	0
	Re-appointment of Mr. Harbanslal Brijlal Bhatia, Executive Director, as a whole time director, retire by	Ordinary	25000	376000	0	0

	rotation					
	Ratification of App. of Auditors	Ordinary	2502600	2506000	0	0
	To increase authorized capital of the Company and amend the capital clause in the Memorandum of Association	Special	2502600	2506000	0	0
	To issue Bonus shares	Special	2502600	2506000	0	0
09th September, 2019	Adoption of Annual Accounts, Auditor's & Director's Report	Ordinary	4902854	4504000	0	0
	Re-appointment of Mr. Sanjeev Harbanslal Bhatia (DIN:02063671), Managing director, Who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary	70000	244000	0	0
	Re-Appointment of M/S. R. Kejriwal & Co., Chartered Accountants as a Statutory Auditors of the Company.	Ordinary	4902854	4504000	0	0
	Approval of Related Party Transaction	Special	70000	244000	0	0

NAME AND ADDRESS OF SCRUTINIZER OR THE PERSON WHO CONDUCTED THE REMOTE VOTING AND BALLOT EXERCISE:

CS Ranjit Kejriwal

Practicing Company Secretary,
1, Aastha, 2/906, Hira Modi Sheri,
Opp. Gujarat Samachar Press,
Sagrampura, Ring Road,
Surat – 395002, Gujarat.
Email: rbksurat@gmail.com
Ph: +91-261-2331123

EXTRA- ORDINARY GENERAL MEETING:

There was no Extra-Ordinary General Meeting was held during the year 2019-2020.

POSTAL BALLOT

The Company has not passed resolutions through postal ballot during the year 2019-2020. As per amended Companies Act, 2013, Company is not proposing postal Ballot for 12thAGM and thus procedure for postal ballot is not applicable. The Company has passed resolutions through postal ballot during the year 2020-21 for Migration of Company from BSE SME Exchange to the main Board Platform of BSE Limited and Alteration in Article of Association of the Companywide the postal ballot notice dated 30th June, 2020.

9. MEANS OF COMMUNICATION

Financial Results:

Bhatia Communications & Retail (India) Limited is believes in to publish all the financial information to stakeholders within the stipulations provided under the law. During the year, Company has declared all financial results within the timeline provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Yearly/Half yearly financial results: The yearly/Half yearly financial results of the Company are normally published in website of the Company i.e. on www.bhatiamobile.com. Financial results for the year 2019-2020 have been submitted to stock exchange within 30 minutes from the conclusion of Board Meeting in which financial results

have been approved. During the year, following half yearly and yearly financial results have been submitted on BSE portal

Period of Financial Results	Date
Audited Financial Results for the half year ended September 30, 2019	14/11/2019
Audited Financial Results for the year ended March 31, 2020	30/06/2020

Being a SME listed Company, exemptions have been provided to the Company from publishing financial results in newspaper. Hence, Company has not published abovementioned half yearly and yearly financial results in any of the newspaper.

News Release/ Presentation made to the Investors: All the Press Release and the presentation made to Institutional Investor/ Analysts are uploaded on the official website of the company www.bhatiamobile.com

Website: Company's official website www.bhatiamobile.com contains separate tab "Investor Relations" for investors, in which notices of the Board Meetings, Annual Reports, Investor Presentations, Shareholding Pattern and other announcements made to stock exchange are displayed in due course for the shareholders information.

Email IDs for investors: The Company has formulated separate email id csbhatia@bhatiamobile.com for investor service, investor can also contact share Registrar and Transfer Agent (RTA) of the Company on their email id support@purvashare.com and the same is available on website of the Company www.bhatiamobile.com

SEBI SCORES: For investor compliant redressal SEBI has developed SCORES platform in which investor can lodge any complaint against the Company for any grievance. The Company also uploads the action taken report in the SCORES platform for redressal of investor complaint.

10. GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of AGM	Friday, 18 th September, 2020 11.00 AM, 132, DR. Ambedkar Shopping Centre, Ring Road, Surat-395002, Gujarat
Financial Year	From 1 st April 2019 to 31 st March,2020
Date of Book Closure	From Saturday, the 12 th day of September, 2020 to Friday, the 18 th day of September, 2020 (both day inclusive)

The Members / Proxies who intend to attend the meeting are requested to bring the Attendance slip sent herewith duly filed in to the meeting. The instrument appointing the proxy, in order to be effective, should be duly stamped, completed and signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

LISTING ON STOCK EXCHANGE

The Equity Shares of the Company as on the date are listed on the SME Platform of BSE Limited. The Company confirms that it has paid Annual Listing Fee for the Financial Year 2019-2020 to the BSE Limited.

STOCK CODE OF THE COMPANY

ISIN	: INE341Z01017
Scrip Name	: BHATIA
Security Code	: 540956
Type of Shares	: Equity Shares
No. of paid up shares	: 1,25,15,200

NAME OF THE STOCK EXCHANGE

BSE Limited (On BSE SME platform)

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Tel. : 022-22721233/4,
Fax : 022-22721919

MARKET PRICE DATA

Data of market price high, low for the year 2019-2020 is given below:

Month	High (Rs.)	Low (Rs.)	Volume (No. of Shares)	Turnover (Amount in Rs.)	Closing
April, 2019	87.25	78.50	292000	23875700	79.00
May, 2019	86.00	77.50	90000	7284500	77.50
June, 2019	85.50	80.00	98000	8115500	83.35
July, 2019	82.80	77.50	70000	5637800	80.15
August, 2019	80.00	74.00	8000	614000	77.00
September, 2019	78.00	72.00	164000	12641600	75.00
October, 2019	78.00	69.25	248000	18449100	71.75
November, 2019	71.90	68.25	78000	5581900	71.00
December, 2019	77.50	65.00	110000	7799000	77.50
January, 2020	-	-	-	-	-
February, 2020	76.50	68.25	26000	1955500	68.25
March, 2020	77.50	65.00	64000	4687600	66.00

PERFORMANCE IN COMPARISON TO OTHER INDICES

Table below gives the performance comparison of M/s. Bhatia Communications & Retail (India) Limited to BSE Sensex and BSE SME IPO for the F.Y.2019-2020 on month to month closing figures:

Month	BSE Sensex	Change in %	BSE SME IPO	Change in %	BHATIA (Closing Price at BSE)	Change in %
April 2019	39031.55	0.93	1726.12	-1.80	79.00	-7.60
May 2019	39714.20	1.75	1746.46	1.18	77.50	-1.90
June 2019	39394.64	-0.80	1711.07	-2.03	83.35	7.55
July 2019	37481.12	-4.86	1608.85	-5.97	80.15	-3.84
August 2019	37332.79	-0.40	1622.18	0.83	77.00	-3.93
September 2019	38667.33	3.57	1634.13	0.74	75.00	-2.60
October 2019	40129.05	3.78	1746.51	6.88	71.75	-4.33
November 2019	40793.81	1.66	1840.60	5.39	71.00	-1.05
December 2019	41253.74	1.13	1770.48	-3.81	77.50	9.15
January 2020	40723.49	-1.29	1699.69	-4.00	-	-
February 2020	38297.29	-5.96	1573.22	-7.44	68.25	-11.94
March 2020	29468.49	-23.05	1364.45	-13.27	66.00	-3.30

IN CASE THE SECURITIES ARE SUSPENDED FROM TRADING, THE DIRECTOR'S REPORT SHALL EXPLAIN THE REASON THERE OF

Not Applicable

REGISTRAR & TRANSFER AGENTS:

Purva Share registry (India) Private Limited

Category I Registrar to Issue & Share Transfer Agents
Unit No. 9 Shiv Shakti Ind.Estt., J. R. Boricha Marg, Lower Parel (E),
Mumbai-400011, Maharashtra,
Email Id: support@purvashare.com • Website: www.purvashare.co
Ph. No.: +91-022-23016761/2518, Tele Fax: +91-022-2301 2517

SHARE TRANSFER SYSTEM

The Company's shares are compulsorily traded in dematerialized mode. The dematerialized shares are transferable through the depository system. The power of share transfer has been delegated to the designated officials of Registrar & Transfer Agent of the Company, **Purva Sharegistry (India) Private Limited**. The Registrar & Transfer Agent processes the share transfers within a period of fifteen days from the date of receipt of the transfer documents.

The Company has obtained half yearly certificates from Company Secretary in Practice for compliance of share transfer formalities as per the requirement of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also carried out Quarterly Secretarial Audit for reconciliation of Share Capital Audit as required under SEBI circular no. 16 dated 31st December, 2002.

INVESTOR HELPDESK

Shareholders/Investors can also send their queries through e-mail to the Company at csbhatia@bhatiamobile.com. This designated e-mail has also been displayed on the Company's website www.bhatiamobile.com under the section Investor contact.

COMPLIANCE OFFICER

Ms. Mittal Narendrabhai Shah
Company Secretary & Compliance Officer

DISTRIBUTION OF SHAREHOLDINGS AS ON MARCH 31, 2020:

a. On the basis of Shareholdings

Shareholding of Nominal	No. of Shareholders	% of Shareholders	Shares Amount	% of Shares Amount
0001 to 5000	03	1.35	800.00	0.00
5001 to 20000	84	37.67	1680000.00	1.34
20001 to 40000	30	13.45	1200000.00	0.96
40001 to 100000	41	18.39	2760000.00	2.21
100001& Above	65	29.15	119511200.00	95.49
TOTAL	223	100.00	125152000.00	100.00

On the basis of Category

Sr. No.	Description	No. of members		No. of shares	
		Nos.	%	Nos.	%
A	Promoters Holding Directors & Relatives Bodies Corporate	6	2.69	9215200	73.63
B	Non Promoter Holding <u>Institutions</u> Mutual Funds				
	<u>Non-Institutions</u> Resident Individual	178	79.82	1840000	14.70
	HUF	19	8.52	194000	1.55
	Foreign Individuals or NRI	2	0.90	26000	0.21
	Bodies Corporate	12	5.38	848000	6.78
	Any other	4	1.79	88000	0.70
	Clearing Member	1	0.45	14000	0.11
	Market Maker	1	0.45	290000	2.32
	Total:	223	100.00%	12515200	100.00%

NOMINATION FACILITY

It is in the interest of the shareholders to appoint nominee for their investments in the Company. Those members, who are holding shares in physical mode and have not appointed nominee or want to change the nomination, are requested to send us nomination form duly filed in and signed by all the joint holders.

OUTSTANDING GDRS/ADRS/WARRANTS/ANY OTHER CONVERTIBLE INSTRUMENTS

The Company does not have any outstanding instruments of the captioned type.

PROCEEDS FROM PUBLIC ISSUE / RIGHTS ISSUE / PREFERENTIAL ISSUE / WARRANT CONVERSION

The Company does not have such proceeds from Public Issue, Right Issue, Preferential Issue and Warrant Conversion.

UTILISATION OF IPO PROCEEDS

As mentioned in the Board's Report, the detail of the IPO Proceeds is detailed in the Annexure – 12.

DETAILS OF DIVIDEND

The Board of Directors of the Company in its meeting held on June 30, 2020 has recommended dividend at the rate of 40% i.e. Re.4/- per share and shall be paid to the shareholders whose names appear on the register of members as on the Record date for dividend i.e. on September 11, 2019 in respect of physical shares and as Beneficial Owners as at the end of business hours on September 11, 2019 as per the list provided by the NSDL/ CDSL in respect of the shares held in electronic mode. Dividend recommended by the Board, if approved by the members on September 18, 2020 then the same shall be paid to the members within 30 days from the date of approval of the members.

DETAILS OF UNPAID DIVIDEND

There is no unpaid dividend amount outstanding during the year.

PLANT LOCATION

Being in the trading company, the company does not have any plants. However, your company has 96 retail stores.

ADDRESS FOR CORRESPONDENCE:

(a) Registrar & Transfer Agents:

Purva Sharegistry (India) Private Limited.
Unit No. 9 Shiv Shakti Ind. Estt.,
J. R. Boricha Marg, Lower Parel (E),
Mumbai-400011, Maharashtra,
Email: support@purvashare.com
Website: www.purvashare.com
Ph: No. 022-23016761/2518. Fax: 022-2301517

(b) Registered Office:

132, Dr. Ambedkar Shopping Centre,
Ring Road, Surat – 395002, Gujarat
Ph. No.: 0261 2349892
Email: info@bhatiamobile.com
Website: www.bhatiamobile.com

CREDIT RATING: NIL

11. DISCLOSURES

DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENT

In preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI). The significant accounting policies which are consistently applied have been set out in the Notes to the Accounts.

RISK MANAGEMENT

The Company has to frame a formal Risk Management Framework for risk assessment and risk minimization to ensure smooth operation and effective management control. The Audit Committee has to review the adequacy of the risk management framework of the Company, the key risks associated with the business and to measure the steps to minimize the same

MATERIAL SUBSIDIARY

The Company does not have any material subsidiary.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has adopted the Code of Conduct for regulating, monitoring and reporting of Trading by Insiders in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013. The Code of internal procedures and conduct for Regulating, monitoring and Reporting of Trading by Insiders is available on <http://bhatiamobile.com/wp-content/uploads/2019/06/Prohibition-of-Insider-Trading-Policy.pdf>

CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

Mr. Ranjit Kejriwal, Practicing Company Secretary has issued a certificate required under the listing regulations, confirming that none of the Directors on the Board of the company has been debarred or disqualified from being appointed or continuing as director of the company by SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **Annexure 13**.

COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

The Compliance Certificate on corporate Governance for the Year ended 31st March, 2020, issue by M/s. R. Kejriwal & Co., Statutory Auditors of the Company forms part of the Corporate Governance Report.

WHISTLE BLOWER POLICY/VIGIL MECHANISM POLICY

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at <http://bhatiamobile.com/wp-content/uploads/2019/06/Vigil-Mechanism-Whistle-Blower-Policy.pdf>

RELATED PARTY TRANSACTION

The list of related party transactions entered by the Company during the year is mentioned in note no.22 of Related party Disclosures (As identified by management) of the financial statement. All related party transactions are monitored by Audit Committee of the Company. Company's policy on related party transaction is available on below link:

<http://bhatiamobile.com/wp-content/uploads/2018/05/Related-Party-Transaction-Policy.pdf>

FEES TO STATUTORY AUDITOR

Company has paid total fees paid by the company to the Statutory Auditor as mentioned below:

Payment to Statutory Auditor	Amount in Rs.	
	FY 2019 202	FY 2018-19
Audit Fees	35,000	35,000
Tax Audit Fees	15,000	15,000

DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE(PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The details of complaints filed, disposed & pending are given below:

Number of Complaints during the year: NIL

Number of complaints disposed of during the year: Not Applicable

Number of complaints pending as on end of the financial year: Not applicable

STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

The Company has complied with the requirements of the Stock Exchanges / Securities and Exchange Board of India (SEBI) / and Statutory Authorities to the extent applicable, the company's shares are listed on the BSE SME platform from 21st February, 2018, and accordingly no penalties have been levied or strictures have been imposed on the Company on any matter related to capital markets during the year.

MANDATORY & NON MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements of Corporate Governance and endeavors to adopt good corporate governance practices which help in adoption of non mandatory requirements.

UPDATE E-MAILS FOR RECEIVING NOTICE/DOCUMENTS IN E-MODE

The Ministry of Corporate Affairs (MCA) has through its circulars issued in 2011, allowed service of documents by companies including Notice calling General Meeting(s), Annual Report etc. to their shareholders through electronic mode. This green initiative was taken by MCA to reduce paper consumption and contribute towards a green environment. As a responsible citizen, your company fully supports the MCA's endeavor.

In accordance of the same, your company had proposed to send Notice calling General Meetings, Annual Report and other documents in electronic mode in future to all the shareholders on their email addresses. It was also requested to inform the Company in case the shareholders wish to receive the above documents in physical form. Accordingly, the Annual Report along with Notice will be sent to the shareholders in electronic mode at their email addresses on <https://www.purvashare.com/email-and-phone-updation/>.

The shareholders may register their email addresses with their Depository through Depository Participant.

UPDATE YOUR CORRESPONDENCE ADDRESS/ BANK MANDATE/PAN/ EMAIL ID

Shareholder(s) holding shares in dematerialized for are requested to notify changes in Bank details/ address/ email ID directly with their respective DPs.

QUOTE FOLIO NO. / DP ID NO.

Shareholders/ Beneficial owners are requested to quote their DP ID no. in all the correspondence with the Company.

Shareholders are also requested to quote their Email ID and contact number for prompt reply to their correspondence.

12. DISCRETIONARY REQUIREMENTS

THE BOARD

The chairman of the company is an Executive Director.

SHAREHOLDER RIGHTS

Half yearly and yearly declaration of financial performance is uploaded on the website of the company <http://bhatiamobile.com/investor-relation/> as soon as it is intimated to the stock exchange.

MODIFIED OPINION(S) IN AUDIT REPORT

Standard practices and procedures are followed to ensure unmodified financial statements.

REPORTING OF INTERNAL AUDITOR

The Company has appointed M/s V. M. Patel & Associates as the Internal Auditor of the Company for five years from F.Y. 2019-20 to 2023-24. The Internal Auditor reports to the Audit Committee periodically with Internal Audit Report prepared on quarterly basis.

The Internal Auditors M/s V. M. Patel & Associates, Cost Accountant have reported directly to the Audit Committee of the Company.

Place: Surat

Date:20.08.2020

For the Board of Director

Bhatia Communications & Retail (India) Limited

Sd/-

Sanjeev Harbanslal Bhatia

Managing Director

DIN: 02063671

Sd/-

Nikhil Harbanslal Bhatia

Whole Time Director

DIN:02063706

Annexure-4

AS PER RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

- (i) The steps taken or impact on conservation of energy
 - (ii) The steps taken by the Company for utilising alternate sources of energy
 - (iii) The capital investment on energy conservation equipment
- } NIL

B. TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption
 - (ii) The benefits derived like product improvement, cost reduction, product development or import substitution
 - (iii) In case of imported technology (imported during last three years reckoned from the beginning of the financial year)
 - a. The details of technology imported
 - b. The year of import
 - c. Whether the technology been fully absorbed
 - d. If not fully absorbed areas where absorption has not taken place & reasons thereof
 - (iv) The expenditure incurred on research & development during the year 2019-2020
- } NIL

C. FOREIGN EXCHANGE EARNING AND OUTGO

The Foreign Exchange earning in terms of actual inflows

Foreign Exchange earnings during the financial year 2019-2020: NIL

The Foreign Exchange outgo during the year in terms of actual outflows

Foreign Exchange outgo during the financial year 2019-2020: NIL

Place: Surat

Date:20.08.2020

For the Board of Director

Bhatia Communications & Retail (India) Limited

Sd/-

Sanjeev Harbanslal Bhatia

Managing Director

DIN: 02063671

Sd/-

Nikhil Harbanslal Bhatia

Whole Time Director

DIN:02063706

Annexure-5

Corporate Social Responsibility (CSR)

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

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposes to be undertaken.

Bhatia Communications & Retail (India) Limited is committed to conduct business in a socially, economically and environmentally responsible and sustainable manner, which enables the creation and distribution of wealth for the betterment of all its stakeholders, internal as well as external, through the implementation and integration of ethical systems and sustainable management practices. For this, company had laid a balanced emphasis on all aspects of corporate social responsibility and sustainability with regard to its internal operations, activities and processes, as well as undertake initiatives and projects to facilitate awareness program for preventing disease and building immunity, promoting education, eradicating hunger, poverty and malnutrition, environment protection, promotion of green and energy efficient technologies and upliftment of the marginalized and underprivileged sections of the society.

The CSR provisions of the Companies Act 2013, Schedule VII, or the CSR rules are inviolable.

The CSR Committee so constituted formulated Policy on Corporate Social Responsibility (CSR Policy) on 23/10/2018 and the Board of Directors of the Company ('Board') has approved the same as per recommendation of CSR Committee. Web link: <http://bhatiamobile.com/wp-content/uploads/2019/04/CSR-Policy.pdf>

2. The Composition of the CSR Committee:-

Name	Designation	Nature of Directorship
Mr. Sanjeev Harbanslal Bhatia	Chairman	Managing Director
Mr. Nikhil Harbanslal Bhatia	Member	Whole Time Director
Mr. Rachit Naresh Narang	Member	Independent Director

3. Average net profit of the Company for last three financial year:-

Profit Calculated as per provisions of Section 198 of the Companies Act, 2013 for last three years:

2016-17	:	Rs. 76,62,979/-
2017-18	:	Rs. 5,42,02,425/-
2018-19	:	Rs. 7,12,37,888/-
Average Net Profit: Rs. 4,43,67,764/-		

4. Prescribed CSR expenditure (2%of the amount as above):-

2% of average profit during last three years	Rs. 8,87,355/-
+ Carry forward of last year's unspent amount:	Rs. 4,44,837/-
Total Prescribed CSR expenditure	Rs. 13,32,192/-

5. Details of CSR spent during the financial year 2019-2020:-

- (a) Total amount spent during the year:-Rs. 21,00,000/-
- (b) Amount unspent:- Rs. NIL/-
- (c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR projects or activity identified	Sector in which the project is covered	Projects of programs (1)Local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (Budget) project or program wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Health Care Sector	Health Care Sector	Surat, Gujarat	21,00,000/	Direct - 21,00,000/ *	21,00,000/	Shree Adaash Punjabi Samaj

*As per the CA Certificate issued by M/s. Sanjay Maheshwari & Associates the implementing agency Ms. Shree Adaash Punjabi Samaj had expended Rs. 6,97,666/- during Fy. 2019-2020 and Balance amount of Rs. 14,02,334/- will be expended in FY 2020-21.

6. Reason for not spent CSR amount:

NA

7. Responsibility Statement:

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies Rules (Corporate Social Responsibility Policy) Rules, 2014, Mr. Sanjeev Harbanslal Bhatia, Chairman and Managing Director and Chairman of CSR committee, do confirm that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and policy of the Company.

Place: Surat

Date:20.08.2020

For the Board of Director

Bhatia Communications & Retail (India) Limited

Sd/-

Sanjeev Harbanslal Bhatia

Managing Director

DIN: 02063671

Sd/-

Nikhil Harbanslal Bhatia

Whole Time Director

DIN:02063706

Annexure-6

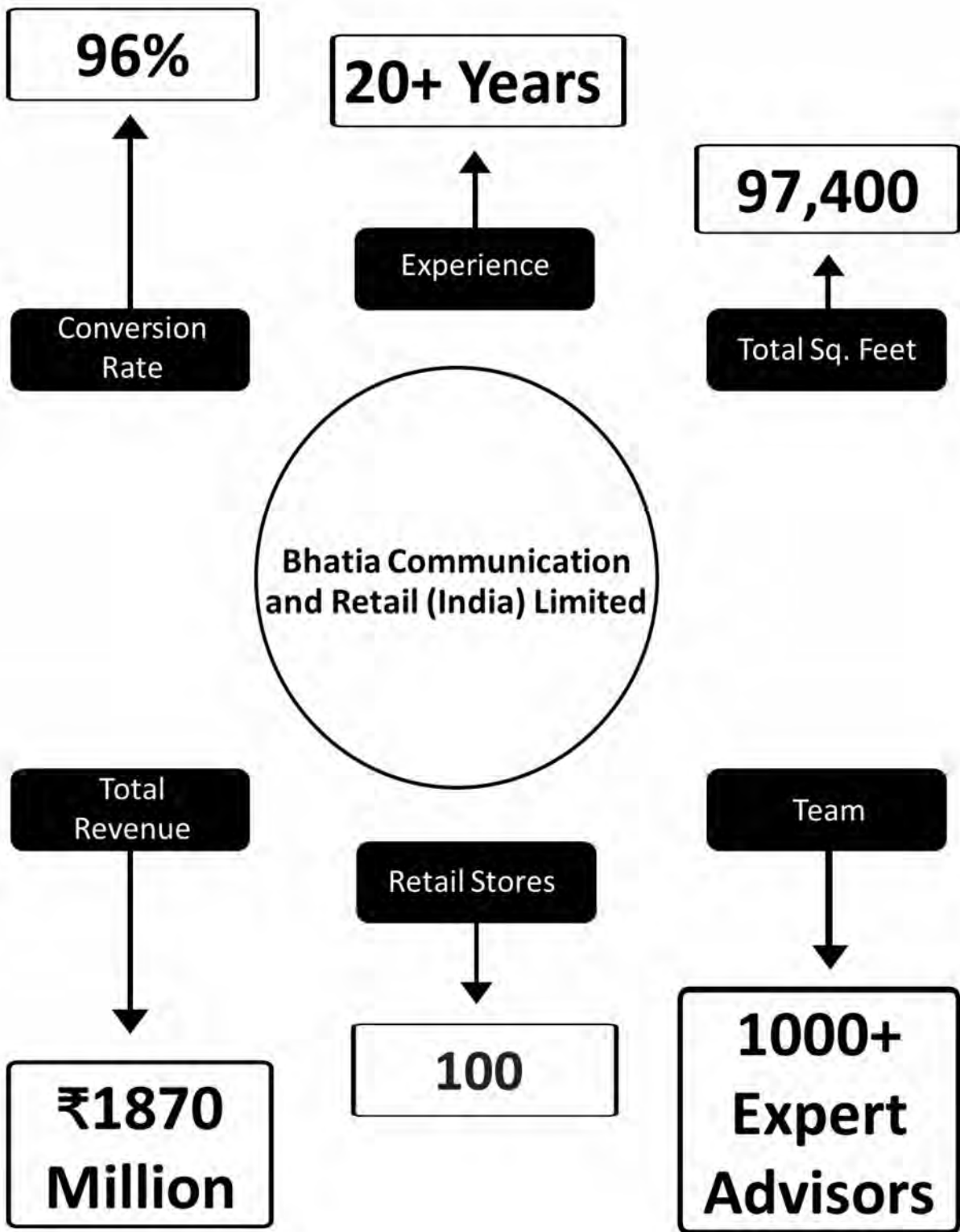
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS: Bhatia Communications and Retail (India) Limited

This section shall include discussion on the following matters within the limits set by the listed entity's competitive position:

- (a) Industry structure and developments.
- (b) Opportunities and Threats.
- (c) Segment-wise or product-wise performance.
- (d) Outlook
- (e) Risks and Concerns.
- (f) Internal control systems and their adequacy.
- (g) Discussion on financial performance with respect to operational performance.
- (h) Material developments in Human Resources / Industrial Relations front, including number of people employed.
- (i) details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:
 - (i) Debtors Turnover
 - (ii) Inventory Turnover
 - (iii) Interest Coverage Ratio
 - (iv) Current Ratio
 - (v) Debt Equity Ratio
 - (vi) Operating Profit Margin (%)
 - (vii) Net Profit Margin (%)or sector-specific equivalent ratios, as applicable.
- (j) details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

This Report contains forward-looking statements that involve risks and uncertainties. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. This report should be read in conjunction with the included financial statements and the notes.



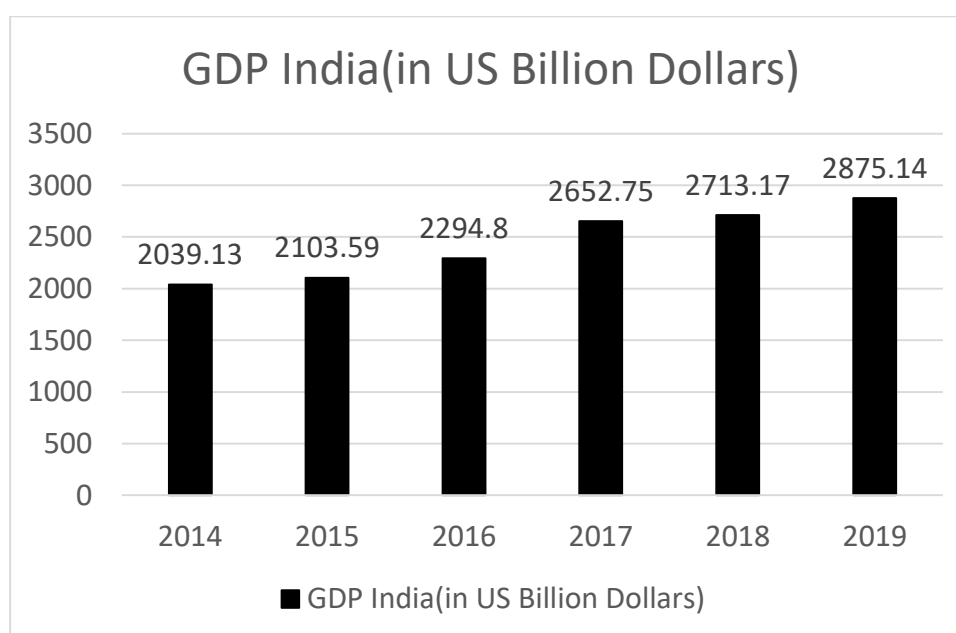
INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Economic Scenario

Rising tariffs and months of shifting between the escalation and de-escalation of global trade tensions have fueled policy uncertainty, significantly curtailed investment, and pushed global growth rate down to 2.4 per cent in 2019—its lowest level in a decade. However, the countries which are not integrated with global trading networks have remained relatively unaffected by trade disputes.

Nonetheless, the outbreak of COVID-19 may contract the Global Economy by further 4.9%, according to IMF (*June 2020 Report*), only to push it in the next Year and expand by about 4.5%.

Indian Economic Scenario



The Indian economy grew by 4.2% in FY 2019-20 still remaining one of the fastest growing major economies in the world. Industrial activity remained healthy in the beginning of the year, but saw some weakness later. However, Consumer Durables like Mobile Phones, Tablets and other Electronic Appliances, have witnessed robust growth in the past, and are expected to bounce back in the 2nd half of FY2021. The Company strongly believes that Electronic Appliances are becoming a necessity than a luxury, thereby reducing the impact of Economic Cycle on the Total output.

Industry Outlook and Trends

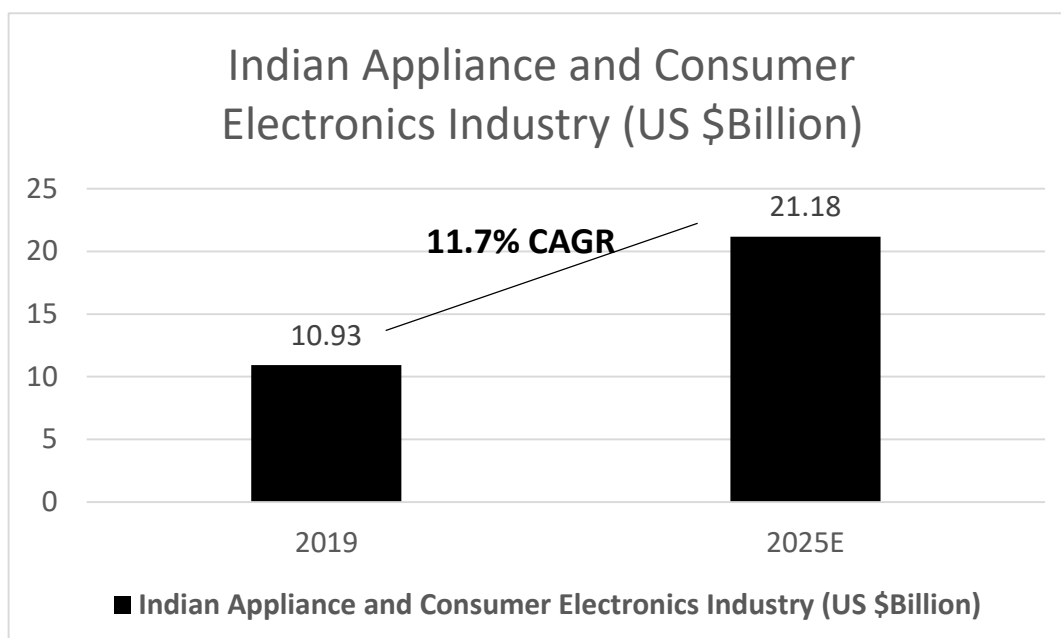
Indian appliance and consumer electronics (ACE) market reached Rs 76,400 crore (US\$ 10.93 billion) in 2019. Appliances and consumer electronics industry is expected to double to reach Rs 1.48 lakh crore (US\$ 21.18 billion) by 2025.

Demand for electronics hardware in India is expected to reach US\$ 400 billion by FY24. The National Policy (DNP) targets production of one billion mobile handsets by 2025.

There is a lot of scope for growth from the Tier-II and Tier-III regions with consumption expected to grow in these areas as penetration of brands increases. Demand for durables like refrigerators and consumer

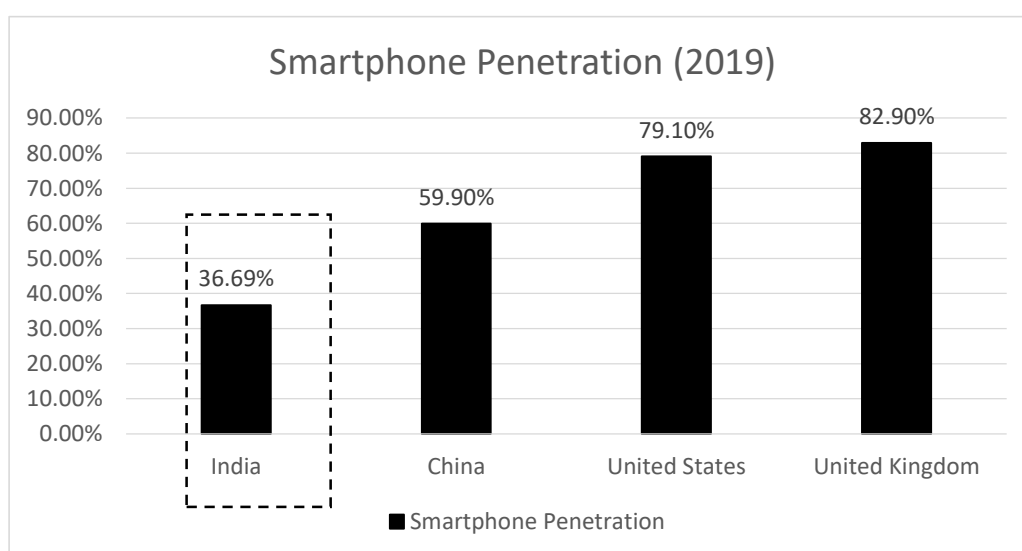
electronic goods are likely to witness an increased demand in the coming years, especially in the mentioned areas as the Government plans to invest significantly in electrification.

Growing awareness, easier access, and changing lifestyle have been the key growth drivers for the consumer market. The Government of India's policies and regulatory frameworks, such as relaxation of license rules and approval of 51 per cent Foreign Direct Investment (FDI) in multi-brand and 100 per cent in single-brand retail, are some of the major growth drivers for the consumer market.



Smartphone Market

India is World's second largest smartphone market, after China. Demand for new smart phones is surging in India helped by cheap data plans and affordable smart handsets. For the Year 2019, India had a total of 502.2 million smartphone users, while China had 851.2 million. However, smartphone penetration in relative terms is still under-penetrated in India at 36.69% (Smartphone Users/ Total Population).



**Source: Newzoo Report

The penetration is expected to rise at a faster pace, and reach 859 million by 2022, according to a study conducted by PwC. With the work-from home culture becoming a norm, people are expected to spend more hours on their devices more than ever. Henceforth, COVID-19 may turn out to be a blessing in disguise for the Industry, and ramp up the penetration much earlier than expected.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

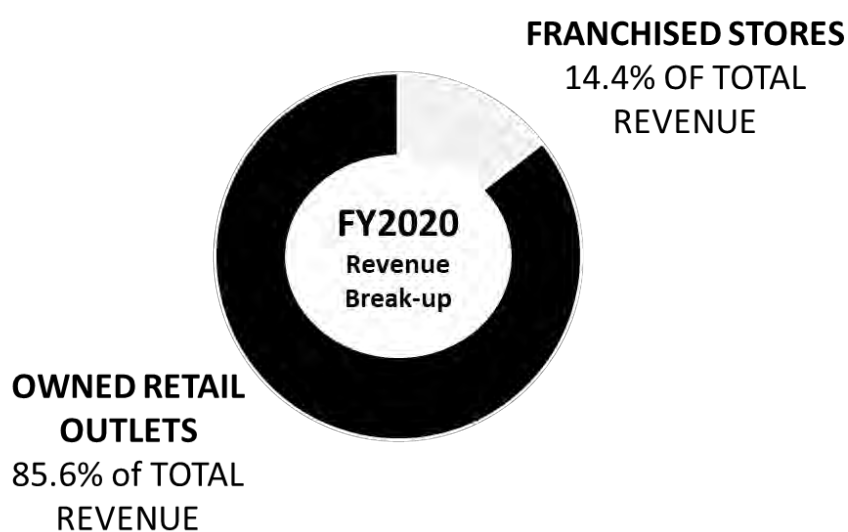
The Company's product diversification into other electronic Items over the last two years is helping it to grow its topline with better profitability margins.

The Company now has 11 multi-product outlets, with its conversion rate clocking at 96%. The product portfolio now includes electronic appliances such as Television, Refrigerator, Air Conditioners, Air Coolers, Washing Machines, and Microwaves, with its prime business still being retail and wholesale distribution of mobile handsets, tablets, data cards and mobile accessories.

The Company's total revenue stood at ₹1870 million, with 85.6% coming from Owned Retail Outlets, and 14.4% coming from Franchised Stores. The Company's recent expansion includes opening of Stores, in cities near Surat, with three recent stores opened in Dahod, Halol and Kaalol. This has helped the company to build a stronger presence across South Gujarat.

Segment/ Product	Number of Stores
Total Stores	100
Owned Retail Outlets	83
Franchised Stores	17
Only Mobile Stores <i>(included in Owned Retail Stores)</i>	1
Multi Product Outlets <i>(included in Owned Retail Stores)</i>	11

***The Sales made from Franchised Outlets include Inter-Company Sales from Owned to Franchised Outlets as well. The Sale is initially recorded by Owned Retail Outlet, followed by Franchised Stores.*



*** Sales amount (without) net of returns; after GST*

OUTLOOK

The company is engaged in the business of trading Mobile Phones & Accessories, Tablets, LED and Smart TVs and other Electronic equipments. The Company operates 100 Stores, owning 83 of them, while the rest 17 are Franchised. The company aims to increase its retail presence, by opening new stores strategically and improving the same stores Sales Growth. The Company has achieved a Conversion rate of 96% and Revenue per square feet of ₹19,200 for FY20.

IMPACT OF COVID-19 ON BUSINESSES

The business operations of the company was disturbed since the declaration of lockdown, i.e. 25th March, 2020. The corporate office and other branch outlets were shut down during the lockdown phase and were resumed in the unlocking phase. The company may face short-term liquidity crunch due to disturbed Operating Cycle but the company is confident to manage the working capital in FY2021.

There is however certain disruption to supply chain in respect of mobilizing the workforce, availability of materials, and dispatch of orders.

However, the company expects improvement in supply chain as further relaxations are being announced by the Government. The company foresees the demand for its products improving as the lockdowns are lifted. Moreover, the company has enough resources for expansion and meet all its obligations.

RISK AND CONCERNS

- Impact of pandemic on shipment of mobile phones to India. Due to global production cut and the pandemic hitting countries in various manner, the supply chain might get disrupted at the global level, impacting the entire supply distribution network.
- The company is involved in the retail trading of mobile phones, accessories, and other electronic items. Hence, the business is working capital intensive, so any incorrect understanding of the market trends can result in decreased Sales. Also, the company needs to remain updated with the latest technology trends in all the electronic appliances it caters to.
- Entry of established players in the Industry might increase competition and reduce margins.

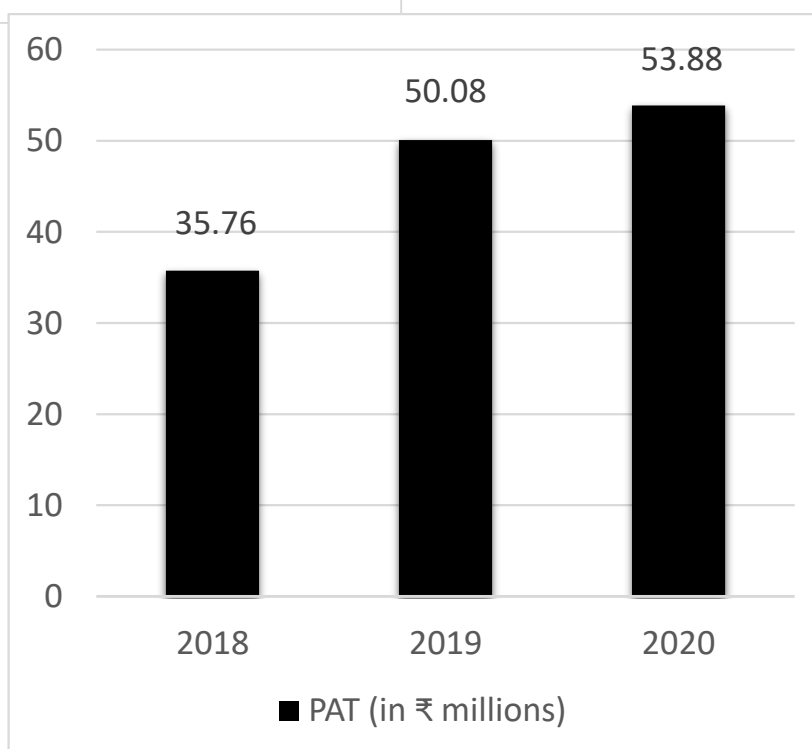
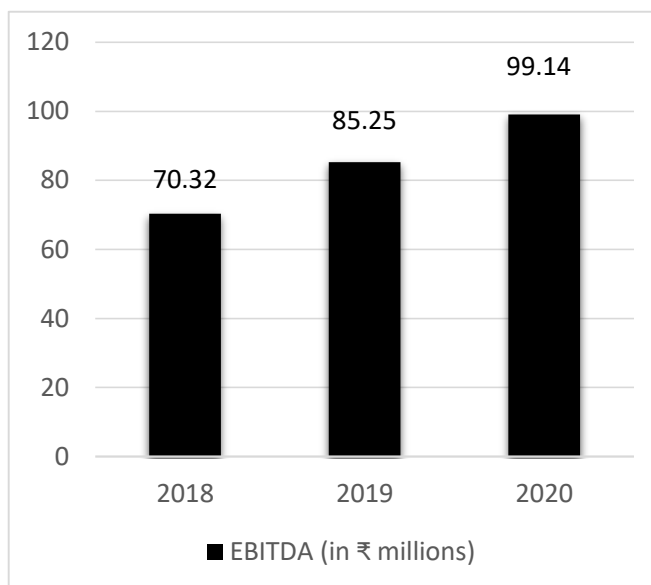
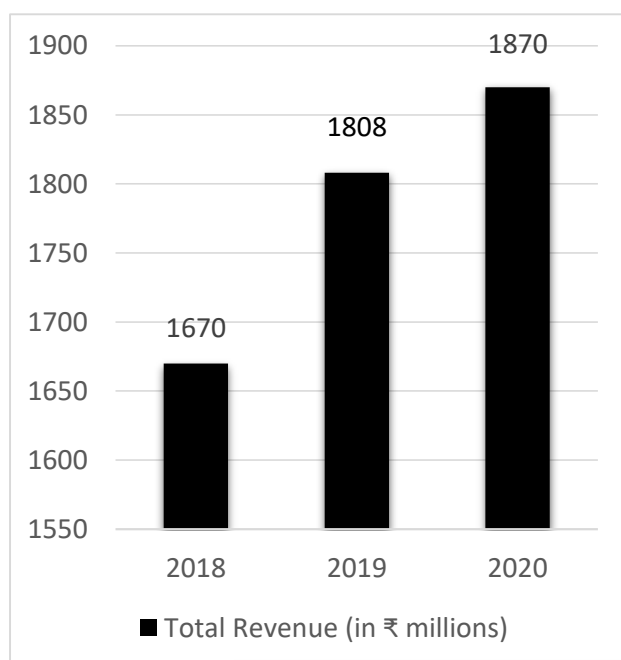
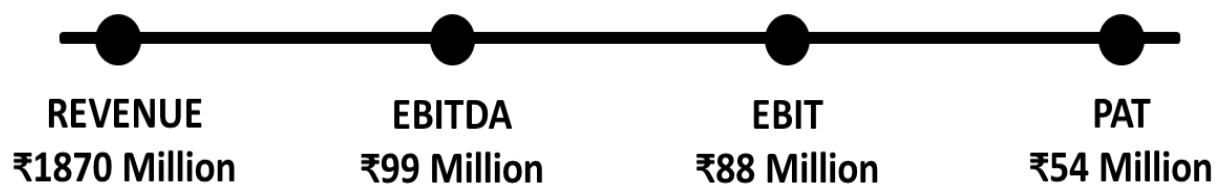
INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place an adequate system of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the described policies and procedures of the Company. The Audit Committee and the Management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

In FY2020, revenue from operations grew to ₹1870 million, a growth of 3.5% from FY2019. EBITDA came in at around ₹99 million, marking an YoY growth of 16.3%. PAT was ₹54 million, an YoY improvement of 7.6%. The company managed to grow its profitability significantly this year based on the seeds the company had sown in the past couple of years. The company with better inventory management,

diversified product portfolio, improving conversion rate and new multi-product outlets, realised economies of scale i.e., the company was able to increase its Sales without much increase in input costs.



The company expects added contribution coming from the sale of Mobile Phones and Tablets in the first half of FY2021, as work from home is becoming a norm, and Electronic gadgets, are an essential for the same.

SWOT Analysis

a) Strength

- Diversified Product Portfolio: It includes wide range of products from Mobile Phones to Home Appliances.
- Trained Work force with 1000+ Advisors and 100+ Employees, with management having an experience of more than 20 years.
- Inventory Management System established by the Company.

b) Weakness

- Lack of Brand Awareness in adjoining cities.
- Resource Availability and Distribution Network compared to Big and Established Players.
- No online presence of the company as of now.

c) Opportunities

- Work from Home becoming a norm.
- Smartphones and Tablets becoming an essential rather than a luxury commodity.
- Under penetration of smart phone, smart TV, Air-Conditioner markets.

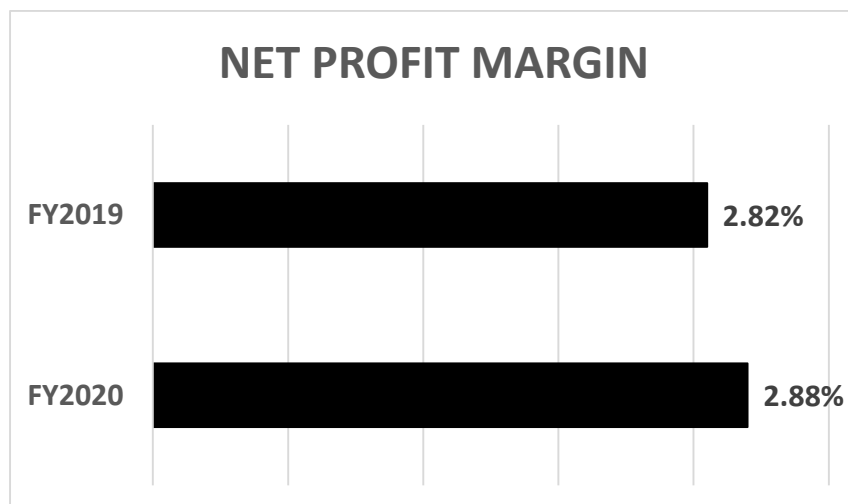
d) Threats

- Competition from local players and big established players may shrink margins.
- Mobile Phones are imported in the country, any disruption in production cycle might affect entire supply chain.
- Low Entry barriers for new entrants.
- Online platform bringing in competition.

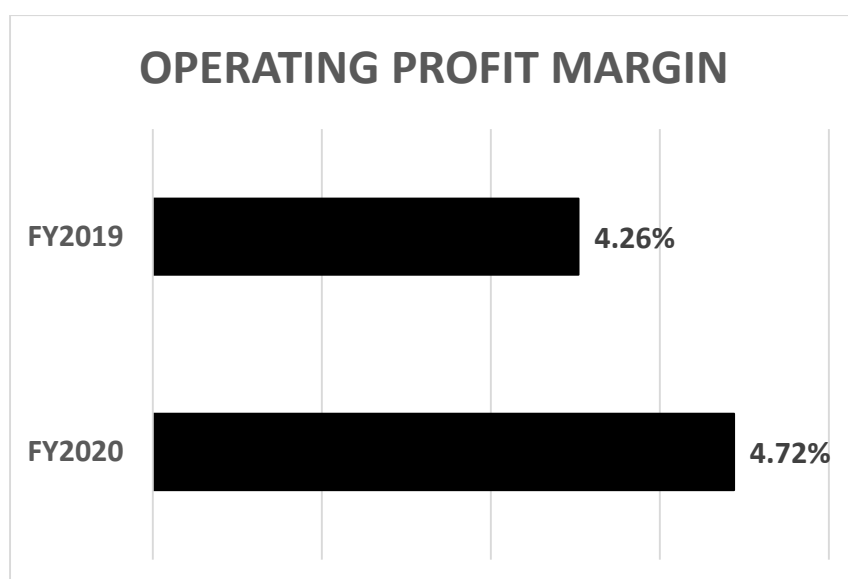
MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

The company firmly believes that its human resources are the main source of wealth generation for all stakeholders by being the key enablers for growth, therefore acting as an important asset. Hence, we believe in investing in our human resource, especially in our Expert Advisors, some of which get in direct touch with the customers, thus being the key reason for improving Customer experience.

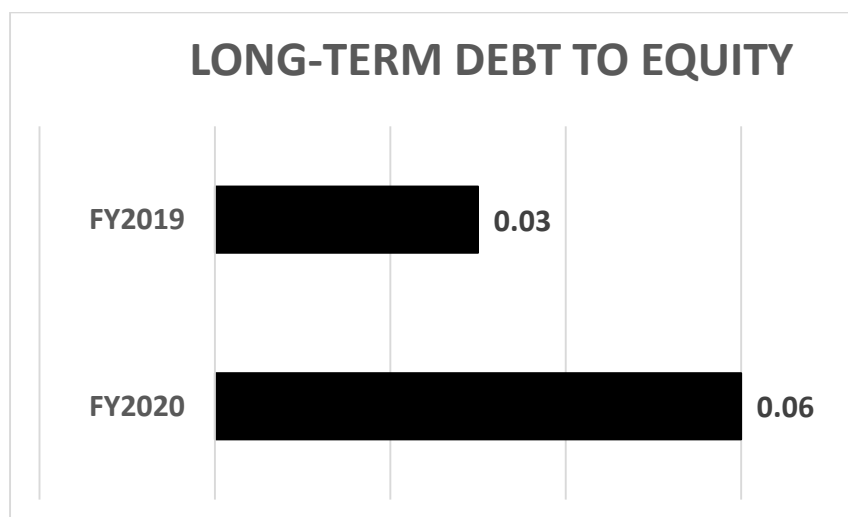
DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS



The Company's Net Profit Margin improved by 6 basis points compared to last year.



The Company's Operating Profit Margin improved by ~50 basis points compared to last year.



The Company is funded by Shareholders' Capital and its reliance on Borrowed Money is minimal.

CURRENT RATIO



The Company over the past three years has been able to maintain a healthy Current Ratio, because of Better Inventory Management System.

DEBTOR'S TURNOVER RATIO



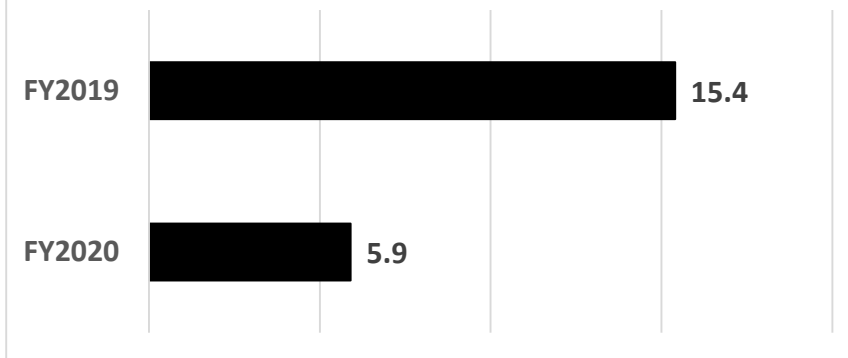
The Company has been able to maintain above Industry average Debtor's Turnover Ratio, meaning its Sales are easily getting converted to Cash every year.

INVENTORY TURNOVER RATIO



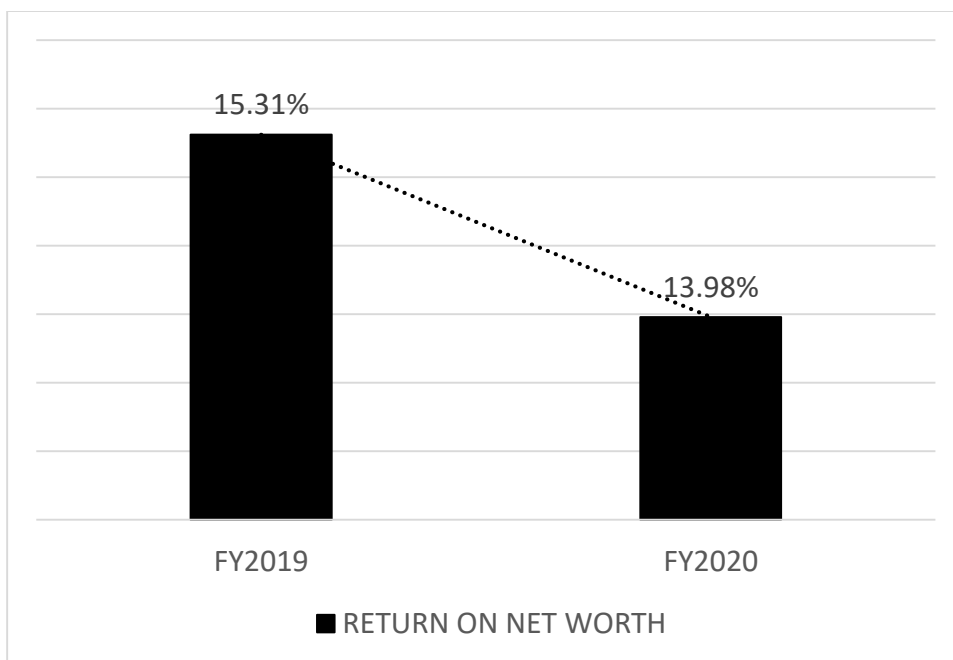
The Company witnessed a fall in Inventory Turnover Ratio by 2.63 times in FY2020.

INTEREST COVERAGE RATIO



The Company witnessed a reduction of 9.5 times in Interest Coverage Ratio, still maintaining a healthy ratio of 5.9x. However, the debt cost burden for the company in absolute terms is insignificant.

RETURN ON NET WORTH



The Company has been able to generate earnings on the strength of its shareholders' Equity due to:

- 1) Improving Profitability
- 2) Sales' Turnover

Since, the company is in growth phase, continuous addition in Assets is expected to generate Sales in the times to come.

Place: Surat
Date:20.08.2020

For the Board of Director

Bhatia Communications & Retail (India) Limited

Sd/-

Sanjeev Harbanslal Bhatia

Managing Director

DIN: 02063671

Sd/-

Nikhil Harbanslal Bhatia

Whole Time Director

DIN:02063706

Annexure-7

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020

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

To,
The Members,
Bhatia Communications & Retail (India) Limited
(CIN: L32109GJ2008PLC053336)
132, Dr. Ambedkar Shopping Centre,
Ring Road, Surat-395002

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Bhatia Communications & Retail (India) Limited**, (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the **M/s. Bhatia Communications & Retail (India) Limited**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2020** 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:

Due to the Covid-19 Lockdown, we have relied on management representations, scanned copies and soft copies of documents received by the company for issue of this report. Physical verification was not possible. So to that extent the report may be based on our presumption to the truth of digital documents and representation.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Bhatia Communications & Retail (India) Limited** for the financial year ended on **31st March, 2020** according to the provisions of:

- i. The Companies Act, 2013 (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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **the regulation is not applicable during the Financial Year 2019-2020**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable during the year:-
 - 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; **the regulation is not applicable during the Financial Year 2019-2020**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **the regulation is not applicable during the Financial Year 2019-2020**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **the regulation is not applicable during the Financial Year 2019-2020**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **the regulation is not applicable during the Financial Year 2019-2020** and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **the regulation is not applicable during the Financial Year 2019-2020**
- vi. Other Laws Specifically Applicable to Company:

- a. Income Tax Act, 1961
- b. Goods and Service Tax Act, 2017 and other indirect taxes
- c. Labour Laws

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

- i. Secretarial Standards with regard to the Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During The year under review, the company has generally complied with the provisions of the act, rules, regulations and guidelines mentioned above except following:

- **Note1 "Significant Accounting Policies" of financial statement has not been incorporate In annual report for the year ended 31.03.2019**
- **Form DIR-12 for Appointment of Mrs. Kamleshkumari Harbanslal Bhatia in Board meeting held on 30.03.2020 is not filed with ROC till signing of this report.**

I further report that, based on the information provided by the company, its officers and authorised representative during the conduct of the audit, and also on the review of reports by CS/CEO of the company, in my opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws.

I further report, that the compliance by the company of applicable financial laws, like direct, indirect tax laws and labour laws has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

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

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the board were unanimous and no dissenting views have been recorded.

I/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.

I report further that, during the audit period, there were no specific events/actions in pursuance of the aforesaid laws, rules, regulations, etc. having a major bearing on the company's affairs.

Place: SURAT
Date: 14/08/2020

Signature: Sd/-
Name of PCS: Ranjit B. Kejriwal
FCS No.: 6116
C P No.: 5985
UDIN: F006116B000582120

This report is to be read with our letter dated 14th August, 2020 which is annexed and forms an integral part of this report.

To,
The Members,
Bhatia Communications & Retail (India) Limited
(CIN: L32109GJ2008PLC053336)
132, Dr. Ambedkar Shopping Centre,
Ring Road, Surat-395002

Our Secretarial Audit report dated 14th August, 2020 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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.

Place: SURAT
Date: 14/08/2020

Sd/-
Name of PCS: Ranjit Binod Kejriwal
FCS No.: 6116
C P No.: 5985

Annexure-8

The Disclosures pertaining to remuneration as required under section 197(12) of the companies act, 2013 read with rule 5of the companies (appointment and remuneration of managerial personnel) Amendment rules, 2016 are as under:

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-2020, ratio of the remuneration of the employees of the Company for the financial year 2019-2020 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for F.Y. 2019-2020 (Amount in Rs.)	% increase in Remuneration in the F.Y. 2019-2020	Ratio of Remuneration of each Director/to median remuneration of employees
1	Sanjeev Harbanslal Bhatia Executive Chairman cum Managing Director	24,00,000	0%	7.41:1
2	Nikhil Harbanslal Bhatia Whole-time Director	24,00,000	0%	7.41:1
3	KAMLESHKUMARI HARBANSLAL BHATIA* Non-Executive Director	NIL	NIL	NIL
4	Rashmi Kapil Arora Non-Executive Independent Director	NIL	NIL	NIL
5	Arpit Arunkumar Jain Non-Executive Independent Director	NIL	NIL	NIL
6	Rachit Naresh Narang Non-Executive Independent Director	NIL	NIL	N.A.
7	Ravindra Arunrao Sojal Chief Financial Officer	4,93,000	38.87%	N.A.
8	Mittal Narendrabhai Shah** Company Secretary & Compliance Officer	90,000	NIL	N.A.

*Appointed on 30.03.2020

**Appointed on 12.04.2019

(i) Names of the top ten employees in terms of remuneration drawn from the Company in the financial year 2019-2020:

Sr. No.	Name & Designation	Qualification and Experience	Remuneration (Amount in Rs.) Per month	Date of Appointment	Age (In years)	Particulars of Last Employment	Relative of Director/ Manager	Percentage of Equity Shares
1	Sanjeev Bhatia Managing Director	B.com 20 years	200000	25-03-2008	41	NA	Brother of Nikhil Bhatia and Son of Kamleshkumari Bhatia	34.04
2.	Nikhil Bhatia Whole Time Director	H.S.C 10 years	200000	01-04-2008	38	NA	Brother of Sanjeev Bhatia and Son of Kamleshkumari Bhatia	38.62

3.	Raghavendu Pathak General Manager In Operations	MBA in Marketing 24 years	120000	02-05-2019	45	Reliance Jio	No	-
4.	Rohit Madatali Samnani General Manager	B.Com M.C.A 6 years	75000	04-06-2014	39	Hewlett Packard Enterprise	No	-
5.	Ravikumar Udaybhan Singh Branch Manager	H.S.C 4 years	45000	01-06-2016	38	Snv Distributors Private Limited	No	-
6.	Gaurav P Rajguru Stock Incharge	B.com 6 years	41000	Aug, 2014	33	N.A.	No	0.03
7.	Aayush Mukesh Khandelwal Manager In System Analyst	B. tech in I.T 1 year	40000	01-01-2020	22	MEDITA B HEALTH CARE PRIVATE LIMITED	No	-
8.	Kishor T. Mahale Accountant	B.Com 2 year	40000	01-10-2018	34	Snv Distributors Private Limited	No	-
9.	Ravindra Sojal Chief Financial Officer	B.A 12 years	38000	05-01-2018	42	Comptek Computer Educations	No	0.05
10.	Shivangi Samnani Branch Manager	B.Com 3 years	35000	01-07-2017	34	N.A	No	-

- (ii) The median remuneration of employees of the Company during the Financial Year was Rs. 27,000/-
- (iii) In the Financial year, the median remuneration of employees has increased by 20.00%.
- (iv) There were 113 permanent employees on the rolls of the Company as on March 31, 2020;
- (v) Average percentage increase/decrease made in the salaries of employees other than the managerial personnel in comparison of the last financial year is 8.58%. There is an average Decrease of 85.82% in the managerial remuneration in comparison to the last financial year.
- (vi) The remuneration of KMP is as per the recommendations of the Nomination & Remuneration Committee.
- (vii) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.

Place: Surat
Date: 20.08.2020

For the Board of Director

Bhatia Communications & Retail (India) Limited

Sd/-

Sanjeev Harbanslal Bhatia

Managing Director

DIN: 02063671

Sd/-

Nikhil Harbanslal Bhatia

Whole Time Director

DIN: 02063706

Annexure-9

Certificate in terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

Dear Sir/Madam,

In accordance with Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we certify that:

1. I have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2020 and that to the best of my knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. 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.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2020 which is fraudulent, illegal or violative of the Company's code of conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. I have not come across any reportable deficiencies in the design or operation of such internal controls.
4. I have indicated to the auditors and the Audit Committee:-
 - a. that there are no significant changes in internal control over financial reporting during the financial year ended March 31, 2020;
 - b. there are no significant changes in accounting policies during the financial year ended March 31, 2020; and
 - c. that there are no instances of significant fraud of which we have become aware.

Place: Surat
Date:30.06.2020

By order of Board of Directors

Sd/-
Ravindra Arunrao Sojal
Chief Financial Officer

Annexure-10

DECLARATION BY MANAGING DIRECTOR THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

All the Members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2020 as applicable to them as laid down in Companies Act, 2013 with the code of conduct of Board members and senior management personnel.

Date: 20.08.2020

Place: Surat

For Bhatia Communications & Retail (India) Limited

Sd/-

Sanjeev Harbanslal Bhatia

Managing Director

DIN:02063671

Annexure-11

R Kejriwal & Co. Chartered Accountants

2, Aastha, 2/906, Hira Modi Sheri, Opp. Gujarat Samachar Press, Ring Road, Surat-395002

Email: auditrkejriwal@gmail.com, Ph: 0261-2355984

C.No.-B/01/2020-21

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED.

We have examined the compliance of the conditions of Corporate Governance by **Bhatia Communications & Retail (India) Limited** (The Company); for the year ended 31st March 2020 as stipulated in Regulation 27(2) of SEBI (Listing Obligation And Disclosure Requirements), Regulations 2015 of the said Company with BSE Limited.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the ministry of corporate affairs and SEBI warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations And Disclosure Requirements), Regulations 2015.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

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

For R. Kejriwal & Co.
Chartered Accountants

Sd/-
Vishal Joshi
Partner
UDIN: 20427019AAAABT4958
M. No. 427019
FRN No. 133558W

Place: Surat
Date: 20.08.2020

Annexure-12

R Kejriwal & Co.

Chartered Accountants

2, Aastha, 2/906, Hira Modi Sheri, Opp. Gujarat Samachar Press, Ring Road, Surat-395002

Email-ID: auditrkejriwal@gmail.com, Tel: 0261-2355984

C.No.B/07/2019-20

To,
The Board of Director,
Bhatia Communications & Retail (India) Limited,
132, Dr Ambedkar Shopping Centre,
Ring Road, Surat-395002

Sub: Certificate of utilization of fund raised through IPO

This is to certify that M/s Bhatia Communications & Retail (India) Limited having PAN: AADCB3959R had utilized following amount till 30th September, 2019 for the purpose of objects as stated in prospectus dated 02 February 2018.

Particulars	Proposed	Utilised till 30.09.2019	(Amount in Rs.)
			Balance
Working Capital Requirement	15,50,00,000	15,50,00,000	-
General Corporate Purposes	5,00,00,000	5,00,00,000	-
Issue Expenses	50,00,000	50,00,000	-
Total	21,00,00,000	21,00,00,000	-

The Certificate has been issued on the basis of verification and examination of books of accounts and as per information and explanation provided to us by the company.

For R Kejriwal & Co.
Chartered Accountants

Sd/-

Khushboo Shah
Partner
M. No.: 171607
FRN No.: 133558W
UDIN: 19171607AAAAA14523
Date: 14.11.2019

Annexure-13

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,
BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED
(CIN: L32109GJ2008PLC053336)
132, Dr. Ambedkar Shopping Centre,
Ring Road, Surat - 395002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED** having CIN: L32109GJ2008PLC053336 and having registered office at 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat - 395002 (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal 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, 2020 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.

S. No.	Name of Director	DIN	Date of appointment in Company
1.	SANJEEV HARBANSLAL BHATIA	02063671	25/03/2008
2.	NIKHIL HARBANSLAL BHATIA	02063706	01/04/2008
3.	KAMLESHKUMARI HARBANSLAL BHATIA	02066517	30/03/2020
4.	RASHMI KAPIL ARORA	07584412	05/01/2018
5.	ARPIT ARUNKUMAR JAIN	08044841	05/01/2018
6.	RACHIT NARESH NARANG	08044845	05/01/2018

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: Surat
Date: 14.08.2020

Sd/-
Name of PCS: Ranjit Binod Kejriwal
FCS No.: 6116
C P No.: 5985

UDIN: F006116B000582131

R Kejriwal & Co.

Chartered Accountants

2, Aastha, 2/906, Hira Modi Sheri, Opp. Gujarat Samachar Press, Ring Road, Surat-395002

Email-id: auditrkejriwal@gmail.com, Tel: 0261-2355984

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

Report on the Audit of Standalone Financial Statements:

Opinion:

We have audited the accompanying standalone Ind AS financial statements of **BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED** ("The Company") which comprises the Balance Sheet as on **31st March 2020**, the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Change in Equity and the Cash Flow statement for the year then ended and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind As") and other accounting principles generally accepted in India, of the state of affairs of the company as at **31st March 2020** and its profit and total comprehensive income and change 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 Companies Act 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Evaluation of Uncertain Tax Positions

The Company has material uncertain tax position including matters under dispute which involve significant judgment to determine the possible outcome of these disputes. The details of the pending litigations have been reported in point 7(b) of CARO report.

Auditor's Response

We obtained detail of completed tax assessment and demand for the year ended March 31, 2020 from management. We involved our internal expert to challenge the management's underlying assumption in estimating the tax provision and possible outcome of the dispute. We also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.

Branches and Franchise

The company has many franchises and branches and the company receives advances/security deposit from its various franchises and the same is adjusted against the amount due from them as on the balance sheet date. The company also receives deposit from branch partner towards security deposit against stock provided to them and same is shown in balance sheet as long term liability.

Auditor's Response

We get the complete list of franchise and branches from the management and check that there is no deviation in the security deposit received and stock provided to them. We also check the agreement made with the branch partner and check whether proper disclosure is made regarding advances received from branch partner and term and conditions of the agreement.

Management's Responsibility for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; to design and perform audit procedures responsive to those risks; and to obtain audit evidence that is sufficient and appropriate to provide a basis for the auditor's 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 Companies Act, 2013, we are responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report), Order, 2016 (order dated 29.03.2016), issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (hereinafter referred to as 'order'), and on the basis of test check as we considered appropriate and according to information and explanation provided to us, we enclose in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we report that:
 - 2.1 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
 - 2.2 In our opinion, proper books of account as required by law have been kept by the company as far as appears from our examination of those books.
 - 2.3 The Balance Sheet, Profit and Loss statement (Including Other Comprehensive Income), Cash Flow Statement and the statement of Change in Equity dealt with by this report are in agreement with the books of account.
 - 2.4 In our opinion, the aforesaid financial statements comply with the Ind As specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - 2.5 On the basis of written representations received from the directors, as on March 31, 2020, taken on record by the Board of directors, none of the directors are disqualified as on March 31, 2020 from being appointed as a director under section 164(2) of the Act
 - 2.6 With respect to the adequacy of financial controls over financial reporting of the company and the operative effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - 2.7 With respect to the others matters to be included in the auditor's report in accordance with Rule 11 of the companies (audit and auditors) rules 2014, in our opinion and to the best of our information and according to the explanations given to us.

- (i) There were pending litigations which would impact the financial position of the company. **The details of the pending litigations have been reported in point 7(b) of CARO report**, forming integral part of this audit report.
- (ii) The company did not have any material foreseeable losses on long term contracts including derivative contracts.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection fund by the company.

Place: Surat

Date: 30.06.2020

For R Kejriwal & Co.

Chartered Accountants.

Firm Reg. No. 133558W

Sd/-

Khushboo Shah

Partner

M. No. 171607

UDIN:20171607AAAAAM9263

PAN: AAPFR9048C

Annexure to Auditors' Report

(Referred to in of our report of even date to the members of BHATIA COMMUNICATIONS & RETAIL (INDIA) LTD as on the financial statements for the year ended March 31, 2020)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

1	Fixed Assets	
(a)	Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	YES
(b)	Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	The management conducted physical verification of certain fixed assets in accordance with its policy of physical verification in a phased manner. In our opinion, such frequency is reasonable having regard to the size of the Company and the nature of its fixed assets. As explained to us, the discrepancies noticed on physical verification as compared to book records maintained, were not material and have been properly dealt with in the books of account.
(c)	Whether title deeds of immovable properties are held in the name of the company. If not, provide details thereof.	NA
2	Inventories	
	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, how they have been dealt with in the books of account;	The management conducted physical verification of inventory in accordance with its policy of physical verification in a phased manner. In our opinion, such frequency is reasonable having regard to the size of the Company and the nature of its inventory. As explained to us, the discrepancies noticed on physical verification as compared to book records maintained, were not material and have been properly dealt with in the books of account.
3	Loan Granted	
	Whether the company has granted any loans, secured or unsecured to companies, firms, LLPs or other parties covered in the register maintained u/s 189 of the Companies Act, 2013. If so,	NO
(a)	Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	NA
(b)	Whether receipt of the principal amount and interest are regular. If not provide details thereof; and	NA
(c)	If overdue amount is more than rupees five lakhs, whether reasonable steps have been taken by the company for recovery of the principal and interest;	NIL
4	Loans, Investments and guarantees	
	In respect of loans, investments and guarantees, whether provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide details thereof.	<u>Yes, M/s Suncare Traders Limited have not agreed to pay interest as per agreed terms due to Covid-19 impact. The Management will take up the matter after lifting of lockdown.</u>
5	Deposit	
	In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	NA
6	Cost Records	
	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained;	NA
7	Statutory dues	
(a)	whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-Lax, , service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	According to the information and explanations given to us and the record examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales-tax and other material Statutory Dues applicable to it. There were no arrears as at, 31st March, 2020 for a period of more than six months from the date they became payable.

(b)	Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	YES												
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>F.Y.</th> <th>AMOUNT (In Rs.)</th> <th>STATUS</th> </tr> </thead> <tbody> <tr> <td>Demand of Rs 25.548 lakhs raised by</td> <td>2012-13</td> <td>Rs. 25.548 lakhs</td> <td>Appeal pending before CIT(A)</td> </tr> <tr> <td colspan="4">DCIT, , circle1(1)(1) u/s 143(3) of IT act, 1961</td> </tr> </tbody> </table>	Particulars	F.Y.	AMOUNT (In Rs.)	STATUS	Demand of Rs 25.548 lakhs raised by	2012-13	Rs. 25.548 lakhs	Appeal pending before CIT(A)	DCIT, , circle1(1)(1) u/s 143(3) of IT act, 1961				
Particulars	F.Y.	AMOUNT (In Rs.)	STATUS											
Demand of Rs 25.548 lakhs raised by	2012-13	Rs. 25.548 lakhs	Appeal pending before CIT(A)											
DCIT, , circle1(1)(1) u/s 143(3) of IT act, 1961														
8	Default in Repayment Whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported (in case of banks and financial institutions, lender wise details to be provided).	NO												
9	Term Loan/ Money raised Whether moneys raised by way of public issue/ follow-on offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays / default and subsequent rectification, if any, as may be applicable, be reported;	NO												
10	Fraud Whether any fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year, If yes, the nature and the amount involved be indicated.	To the best of our knowledge and according to the information and explanations given to us, there have been no cases of fraud on or by the Company noticed or reported during the year under report												
11	Managerial Remuneration Whether managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.	YES												
12	Nidhi Company Whether the Nidhi Company has complied with the Net Owned Fund in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining 10% liquid assets to meet out the unencumbered liability.	NA												
13	Related Parties Transactions Whether all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.	As per the information and explanation provided to us and records produced before us, the company has generally complied with the provisions.												
14	Preferential allotment / Private placement Whether the company has made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of Section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised. If not, provide details thereof.	NA												
15	Non-cash Transactions Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether provisions of Section 192 of Companies Act, 2013 have been complied with.	NA												
16	Registration with RBI Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration is obtained.	NA												

For R Kejriwal & Co.
Chartered Accountants

Sd/-
Khushboo Shah
Partner
M No: 171607
FRN: 133558W
Date : 30.06.2020
Place: SURAT

ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED** ("The Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R. Kejriwal & Co.
Chartered Accountants
FRN No. 133558W

Date : 30.06.2020
Place: Surat

Sd/-

Khushboo Shah
Partner
Mem No. 171607
PAN: AAPFR9048C

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

CIN: L32109GJ2008PLC053336

132, DR AMBEDKAR SHOPPING CENTRE RING ROAD SURAT-395002

Website: www.bhatiamobile.com, Email: info@bhatiamobile.com

Balance Sheet as at 31st March, 2020

(Amount in lakhs.)

Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
ASSETS					
(1)	Non-Current Assets				
a	Property, plant and equipment	2	653.198	705.586	553.251
b	Capital work-in-progress		-	-	-
c	Investment Property		-	-	-
d	Goodwill	2	29.000	29.000	29.000
e	Other Intangible Assets		-	-	-
f	Intangible assets under development		-	-	-
g	Biological Assets other than bearer plants		-	-	-
h	Financial Assets				
	(i) Investments		-	-	-
	(ii) Trade Receivable		-	-	-
	(iii) Loans	3	599.965	255.418	236.279
i	Deferred Tax Assets (Net)		-	-	-
j	Other Non Current Assets		-	-	-
	Total Non-Current assets		1,282.163	990.004	818.531
(2)	Current Assets				
a	Inventories	4	2,230.502	1,640.540	1,547.451
b	Financial Assets				
	(i) Investments		-	-	-
	(ii) Trade Receivables	5	587.882	546.112	464.418
	(iii) Cash and Cash Equivalents	6	1,963.963	1,625.370	1,460.522
	(iv) Bank Balance other than (iii) above		-	-	-
	(v) Loans	7	442.212	410.138	290.209
	(vi) Others (to be specified)		-	-	-
c	Current Tax Assets (Net)		-	-	-
d	Other Current Assets		-	-	-
	Total Current assets		5,224.560	4,222.159	3,762.600
	Total Assets		6,506.723	5,212.163	4,581.130
EQUITY AND LIABILITIES					
(1)	Equity				
	(i) Equity Share capital	8	1,251.520	1,251.520	625.760
	(ii) Other Equity	9	2,609.639	2,067.652	2,192.647
	Total Equity		3,861.159	3,319.172	2,818.407
(2)	Liabilities				
	Non-Current Liabilities				
a	Financial Liabilities				
	(i) Borrowings	10	219.130	98.036	111.494
	(ii) Trade Payables		-	-	-
	(iii) Other Financial Liabilities		-	-	-
b	Provisions	11	30.556	21.861	20.992
c	Deferred tax liabilities (Net)		16.313	15.850	10.676
d	Other non-Current Liabilities	12	156.750	64.000	-
	Total non-current liabilities		422.748	199.747	143.162

(3)	Current liabilities				
a	Financial Liabilities				
	(i) Borrowings	13	858.746	434.955	60.794
	(ii) Trade payables	14	-	-	-
	(A) Total outstanding dues of micro enterprises and small enterprises; and		-	-	-
	(B) Total Outstanding dues of creditors other than micro and small enterprises		1,129.854	1,016.049	1,351.863
	(iii) Other Financial Liabilities	15	38.462	38.462	17.059
b	Other Current liabilities		-	-	-
c	Provisions	16	195.754	203.779	189.845
d	Current Tax Liabilities (Net)				
	Total current liabilities		2,222.816	1,693.244	1,619.561
	Total Equity and Liabilities		6,506.723	5,212.163	4,581.130

The accompanying notes including other explanatory information form an integral part of the financial statements.

As per our report of even date

For R Kejriwal & Co.
Chartered Accountants

For and on behalf of the Board

Sd/-
Khushboo Shah
Partner
M No: 171607
FRN: 133558W
Date : 30.06.2020
Place: SURAT

Sd/-
Sanjeev Bhatia
Managing Director
DIN: 02063671

Sd/-
Company Secretary

Sd/-
Nikhil Bhatia
Whole Time Director
DIN:02063706

Sd/-
C.F.O.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON 31.03.2020

(Amount in lakhs.)

PARTICULARS		Note No.	31st March, 2020	31st March, 2019
I	Revenue From Operations	17	16,803.318	16,509.487
II	Other income	18	1,896.688	1,566.529
III	TOTAL INCOME		18,700.006	18,076.016
IV	Expenditures			
	Cost of Materials Consumed		-	-
	Purchase of Stock In trade		17,113.667	16,265.597
	Changes in inventory of finished goods, work-in-progress and Stock-in-Trade	19	(589.963)	(121.057)
	Employee benefit expenses	20	355.462	377.827
	Financial costs	21	149.318	53.118
	Depreciation & Amortization	2	109.248	86.962
	Other Expenses	22	829.446	701.190
V	TOTAL EXPENSES		17,967.177	17,363.637
VI	Profit before Exceptional items & tax		732.829	712.379
	Add /Less : Exceptional Items		-	-
VII	Profit Before Tax		732.829	712.379
	Tax expense :-		-	-
	Current Tax		193.324	199.085
	Dividend Distribution Tax		-	-
	Deferred Tax		0.462	5.174
	Earlier Year Taxes		0.243	7.355
	Less: MAT credit entitlement		-	-
VIII	Profit /(Loss) from Continuing Operations		538.799	500.764
IX	Profit /(Loss) from Discontinuing Operations		-	-
	Less: Tax Expenses of Discontinuing Operations		-	-
X	Profit /(Loss) from Discontinuing Operations after Tax		-	-
XI	Profit / (Loss) for the year		538.799	500.764
	Other Comprehensive Income			
A	(i) Items that will not be reclassified to Profit & loss		4.260	4.621
	(ii) Income Tax relating to items that will not be reclassified to profit & loss		(1.072)	(1.285)
B	(i) Items that will be reclassified to profit & loss		-	-
	(ii) Income Tax relating to items that will be reclassified to profit & loss		-	-
	Other comprehensive income for the year, net of tax		3.188	3.335
	Total comprehensive income for the year		541.987	504.100
XIII	Earning per Equity Share			
	Basic		4.31	4.00
	Diluted		4.31	4.00

See accompanying notes to the financial statement

As per our report of even date
For R Kejriwal & Co.
Chartered Accountants

For and on behalf of the Board

Sd/-
Khushboo Shah
Partner
M No: 171607
FRN: 133558W
Date : 30.06.2020
Place: SURAT

Sd/-
Sanjeev Bhatia
Managing Director
DIN: 02063671
Sd/-
Company Secretary

Sd/-
Nikhil Bhatia
Whole Time Director
DIN:02063706
Sd/-
C.F.O.

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2020 (Amount in lakhs.)

		31st March, 2020	31st March, 2019
A.	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
	Net Profit Before Tax and Extraordinary Items	736.017	712.379
	Adjustments for:		
	Depreciation	109.710	92.136
	Loss on Sale of Assets	-	-
	Amortization Expenses	-	-
	Financial Costs	149.318	53.118
	Operating Profit before Working Capital Changes	995.045	857.633
	Adjustments for Working Capital Changes:		
	Decrease/(Increase) in Inventories	(589.963)	(93.089)
	Decrease/(Increase) in Sundry Debtors	(41.770)	(81.694)
	Increase/(Decrease) in Current Liabilities & Provisions	631.017	138.552
	Cash generated from Operations	994.329	821.402
	Income Tax Paid	(194.029)	(211.614)
	Net Cash Flow from Operating Activities	(A) 800.299	609.788
B.	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Purchase/Sale of Fixed Assets	(56.860)	(239.297)
	Short Term Loans & Advances	(376.621)	(139.068)
	Net Cash Flow from Investing Activities	(B) (433.481)	(378.364)
C.	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
	Finance Costs	(149.318)	(53.118)
	Increase in Share Capital	-	625.760
	Increase in Reserves & Surplus	-	(625.760)
	Proceeds from/(Repayment of) Secured Loan	(32.314)	18.774
	Proceeds from/(Repayment of) Unsecured Loan	153.407	(32.232)
	Net Cash Flow from Financing Activities	(C) (28.224)	(66.576)
	Net Changes in Cash & Cash Equivalents	(A+B+C) 338.594	164.848
	Cash & Cash Equivalents at the beginning of the year	1,625.370	1,460.522
	Cash & Cash Equivalents at the end of the year	1,963.963	1,625.370

As per our report of even date
 For R Kejriwal & Co.
 Chartered Accountants

For and on behalf of the Board

Sd/-
 Khushboo Shah
 Partner
 M No: 171607
 FRN: 133558W

Date : 30.06.2020
 Place: SURAT

Sd/-
 Sanjeev Bhatia
 Managing Director
 DIN: 02063671
 Sd/-
 Company Secretary

Sd/-
 Nikhil Bhatia
 Whole Time Director
 DIN:02063706
 Sd/-
 C.F.O.

Statement of changes in equity for the year ended 31st March, 2020

I. Equity share capital

Particulars	Amount (In lakhs)
As at April 01, 2018	625.760
Changes in equity share capital	625.760
As at March 31, 2019	1,251.520
Changes in equity share capital	-
As at March 31, 2020	1,251.520

II. Other Equity

Particulars	Reserves and surplus		Total
	Securities premium reserve	Retained earnings	
As at April 01, 2018	1,960.000	232.647	2,192.647
Profit for the year	-	504.100	504.100
Other comprehensive income	-	(3.335)	(3.335)
Total comprehensive income for the year	-	500.764	500.764
Increase/Decrease in Securities Premium Reserve On issue of shares	(625.760)	-	(625.760)
<i>Transactions with owners in their capacity as owners:</i>			
Final Dividend paid	-	-	-
Dividends distribution tax paid	-	-	-
As at March 31, 2019	1,334.240	733.412	2,067.652
Profit for the year	-	538.799	538.799
Other comprehensive income	-	3.188	3.188
Total comprehensive income for the year	-	541.987	541.987
Increase/Decrease in Securities Premium Reserve On issue of shares	-	-	-
<i>Transactions with owners in their capacity as owners:</i>			
Final Dividend paid	-	-	-
Dividends distribution tax paid	-	-	-
As at March 31, 2020	1,334.240	1,275.399	2,609.639

The accompanying notes are an integral part of the financial statements.

As per our report of even date
 For R Kejriwal & Co.
 Chartered Accountants

For and on behalf of the Board

Sd/-
 Khushboo Shah
 Partner
 M No: 171607
 FRN: 133558W
 Date : 30.06.2020
 Place: SURAT

Sd/-
 Sanjeev Bhatia
 Managing Director
 DIN: 02063671

Sd/-
 Nikhil Bhatia
 Whole Time Director
 DIN:02063706

Sd/-
 Company Secretary

Sd/-
 C.F.O.

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED
CIN: L32109GJ2008PLC053336
132, DR AMBEDKAR SHOPPING CENTRE RING ROAD SURAT-395002
Website: www.bhatiamobile.com, Email: info@bhatiamobile.com

NOTE 1

CORPORATE INFORMATION:

Bhatia Communications & Retail (INDIA) Limited is a company domiciled in India and Incorporated under the provisions of the Companies Act, 1956. The company is engaged into retail and wholesale distribution business of mobile handsets, tablets, data-cards, mobile accessories, mobile related products and other electronic items. The company caters to the domestic markets.

SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Preparation of Financial Statements:

a. Compliance with Ind AS

The financial statements are prepared on the accrual basis of accounting and in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as prescribed under section 133 of the Companies Act, 2013 and other relevant provisions of the Act.

For all periods up to and including the year ended March 31, 2019; the Company prepared its financial statements in accordance with Accounting Standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Financial statements for the year ended March 31, 2019 have been restated to give comparative figures to the financial statements for the year ended March 31, 2020, being the first year for preparation of financial statements in accordance with Ind AS. The Company has adopted all the applicable Ind AS notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

As these are the first financial statements prepared in accordance with Ind AS the adoption was carried out in accordance with Ind AS 101 'First-time adoption of Indian Accounting Standards' (Refer Note 23 on first-time adoption of Ind AS including reconciliation and description of the effect of the transition).

b. Historical cost convention

The 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,
- defined benefit plans - plan assets measured at fair value

2. Summary of significant accounting policies

i. Current and non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis".

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 date, or
- Cash or Cash equivalent 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.

All other liabilities are classified as non-current.

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

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

ii. Fair value measurement

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.

The fair value measurement of a non-financial asset takes into account 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 is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Where required/appropriate, external valuers are involved.

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

- Level 1 - Quoted (unadjusted) prices in active market for identical assets or liabilities.
- Level 2 (if level 1 feed is not available/appropriate) - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 (if level 1 and 2 feed is not available/appropriate) - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The Company recognizes transfers between levels of fair value hierarchy at the end of reporting period during which change has occurred.

iii. Revenue Recognition :

Income and expenditure are recognized and accounted on accrual basis as and when they are earned or incurred.

Revenue from sales transaction is recognized as and when the significant risk and reward attached to ownership in the goods is transferred to the buyer.

Revenue from sale of goods is recognized on completion of sale of goods and is recorded net of trade discount and rebates and GST is accounted for on exclusive accounting method which does not get included in Sales.

iv. Income tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The provision for current tax is made at the rate of tax as applicable for the income of the previous year as defined under the Income tax Act, 1961. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and current tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognized using the Balance Sheet approach on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purpose at the reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forwards and unused tax credits could 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.

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

v. Impairment of Asset

An impairment loss is charged to the Statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. During the year, there is no impairment of assets.

vi. Cash & Cash Equivalents :

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are term deposit balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to in significant risk of changes in value

vii. Inventories :

Inventories are being valued as under : (As taken ,Valued and certified by the management)
Traded Goods at Lower of Cost or Net realizable Value.

viii. Financial instruments:

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

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

Financial assets:

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Profit and Loss are expensed in the Statement of Profit and Loss.

Subsequent measurement

After initial recognition, financial assets are measured at:

Fair value (either through other comprehensive income or through Profit and Loss), or amortized cost.

Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through Profit and Loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Other Comprehensive Income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit and Loss (FVTPL):

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is recognized in the Statement of Profit and Loss.

Financial liabilities:**Initial recognition and measurement**

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at FVTPL, transaction costs that are directly attributable to the issue/origination of the financial liability.

Subsequent measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of Profit and Loss.

De-recognition

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

ix. Property, Plant and Equipment (PPE)

Items of Property, plant and equipment acquired or constructed are initially recognized at historical cost net of recoverable taxes, duties, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The historical cost of Property, plant and equipment comprises of its purchase price, borrowing costs and adjustment arising for exchange rate variations attributable to the assets, including any cost directly attributable to bringing the assets to their working condition for their intended use.

Capital Work-in-Progress represents Property, plant and equipment that are not ready for their intended use as at the reporting date.

Subsequent costs are included in the asset's carrying amount or 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 Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful lives that is materially different from that of the remaining plant and equipment.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred.

Gains and losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Property, plant and equipment recognized as at April 1, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, plant and equipment.

Depreciation method

Depreciation on fixed assets are provided on Straight line Method in accordance with requirements of Schedule II to the Companies Act, 2013.

x. Intangible Assets

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discounts and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net changes on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & loss when the asset is derecognized.

xi. Provisions and contingent liabilities

Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Contingencies

Contingent liabilities are disclosed in the Notes to the financial statements. Contingent liabilities are disclosed for :-

- when there is a possible obligation arising from 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 that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent Liabilities for the period under review is as under.

Particular	FY	Amount(In lakhs)	Status
Demand of Rs 25.548 lakhs raised by DCIT, Circle 1(1)(1) u/s 143(3) of IT Act,1961	2012-13	25.548 lakhs with interest upto the date of demand	Appeal pending before CIT (A)

xii. Earnings per Share :

Basic earnings per share is calculated by dividing the net profit after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during 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, etc. For the purpose of calculating diluted earnings per share, the net profit 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.

<u>EARNING PER SHARE :</u>	31st March,	
	2020	31st March, 2019
Basic:		
Profit after tax as per accounts	538.799	500.764
Weighted average number of shares outstanding	1,25,15,200	1,25,15,200
Basic EPS	4.31	4.00
Diluted:		
Profit after tax as per accounts	538.799	500.764
Weighted average number of shares outstanding	1,25,15,200	1,25,15,200
Add: Weighted average no. of potential equity shares	-	-
Weighted average no. of shares o/s for diluted EPS	1,25,15,200	1,25,15,200
Diluted EPS	4.31	4.00

xiii. Employee's Benefit :

Provident Fund and ESIC : Provident fund and ESIC contributions are made as per defined scheme and the contribution is charged to statement of Profit & Loss A/c of the year when it becomes due. The company has no other obligation other than to contribute and deposit to respective authorities.

Short term employee benefits are recognized as an expense in the statement of Profit & Loss A/c for the year in which the related service is rendered.

Long term employee benefit are recognized as an expense in the statement of Profit & Loss A/c for the year in which the employee has rendered service.

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method. The obligation is measured at present values of estimated future cash flows. The discount rates used for determining the present value are based on the market yields on government securities as at the balance sheet date. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly in other comprehensive income.

Actuarial Assumption

Particulars	Gratuity(F.Y.2019-20)	Gratuity(F.Y.2018-10)
Discount Rate (Per annum)	7.00% per annum	7.75% per annum
Salary Growth Rate	5.00% per annum	5.00% per annum
Retirement Age	65 Years	65 Years
Mortality	IALM 2012-14	IALM 2006-08 Ultimate
Withdrawal Rate	5.00% per annum	5.00% per annum

Notes:

Principal assumptions are discount rate and Salary Increase. The discount rate is based upon the market yields and the salary increase should take account inflation, seniority, promotion and other relevant factors. However no explicit allowance is used for disability. As per Accounting Standard, selection of appropriate assumption is responsibility of the entity. Though entity has been advised on the suitability wherever applicable, the report is based on assumptions finalized by the entity (after considering long term view entity might have considered these assumptions prudent).

Risk Factors: Other assumptions would have produced different results e.g. a decrease in discount rate or an increase in salary inflation will lead to an increase in reported liability as per table of sensitivity analysis. Similarly change in attrition rates will also impact the liability. Funded plan carries usual investment risks including asset liability mismatch which will impact net liability/expenses and OCI if any.

Table Showing Present Value of Obligation

Period	01-04-2019 To: 31-03- 2020	01-04-2018 To: 31-03-2019
Present Value of Obligation at the beginning of the Period	26.555	21.861
Interest Cost	1.859	1.694
Current Service Cost	7.760	7.620
Past Service Cost	-	-
Benefits Paid (if any)	-	-
Actuarial (gain)/loss	-4.260	-4.621
Present Value of Obligation at the end of the Period	31.913	26.555

Amount Recognised in the Balance Sheet

Period	As on : 31-03-2020	As on : 31-03-2019
Present Value of Obligation at the end of the Period	31.913	26.555
Fair Value of plan assets at the end of period	-	-
Net Liability/(asset) recognized in Balance Sheet and related analysis	31.913	26.555
Funded Status- Surplus/ (Deficit)	-31.913	-26.555

Expense recognized in the statement of Profit and Loss:

Period	From 01-04-2019 To: 31-03-2020	From 01-04-2018 To: 31-03-2019
Interest Cost	1.859	1.694
Current Service Cost	7.760	7.620
Past Service Cost	0.000	-
Expected Return on plan asset	-0.000	-
Expenses to be recognized in P&L	9.618	9.314

Other comprehensive (income) / expenses (Remeasurement)

Period	From 01-04-2019 To: 31-03-2020	From 01-04-2018 To: 31-03-2019
Cumulative unrecognized actuarial(gain)/loss opening. B/F	-5.118	-0.497
Actuarial (gain)/loss - obligation	-4.260	-4.621
Actuarial (gain)/loss - plan assets	0.000	0.000
Total Actuarial (gain)/loss	-4.260	-4.621
Cumulative total actuarial(gain)/loss. C/F	-9.378	-5.118

Maturity Profile of Defined Benefit Obligation: Maturity analysis of benefit obligations.

01 Apr 2020 to 31 Mar 2021	1.357
01 Apr 2021 to 31 Mar 2022	0.330
01 Apr 2022 to 31 Mar 2023	0.363
01 Apr 2023 to 31 Mar 2024	0.413
01 Apr 2024 to 31 Mar 2025	0.413
01 Apr 2025 Onwards	29.036

Sensitivity Analysis Gratuity Plan

Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	As on : 31-03-2020
Defined Benefit Obligation (Base)	31.913 lakhs @ Salary Increase Rate : 5%, and discount rate : 7%
Liability with x% increase in Discount Rate	28.384 lakhs; x=1.00% [Change (11)%]
Liability with x% decrease in Discount Rate	36.235 lakhs; x=1.00% [Change 14%]
Liability with x% increase in Salary Growth Rate	36.279 lakhs; x=1.00% [Change 14%]
Liability with x% decrease in Salary Growth Rate	28.292 lakhs; x=1.00% [Change (11)%]
Liability with x% increase in Withdrawal Rate	32.504 lakhs; x=1.00% [Change 2%]
Liability with x% decrease in Withdrawal Rate	31.148 lakhs; x=1.00% [Change (2)%]

xiv. Cash flow statement :

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xv. Loan, Advances & Security Deposit :

Balances of Loans and Advances, Debtors, Creditor, Banks are subject to confirmation and reconciliation. The company receives advance/ security deviation from its various franchisee(s) and the same is adjusted against the amount due from them as on the date of balance sheet. The Company also receives deposit from branch partner towards security deposit against stock provided to them and same is shown in balance sheet as other non current liability.

xvi. Accounting for Indirect Taxes (GST)

The Company is recording sales and purchases on exclusive method and GST are not passed through the profit and Loss accounts of the company. The Effect of Indirect Taxes (GST) on Sales will be as under:

	Amount In lakhs
Gross Sales	18,887.913
Less: GST	2,084.595
Net Sales	<u>16,803.318</u>

xvii. Break-Up of auditors remuneration :

	31st March, 2020	31st March, 2019
As Auditor	0.350	0.350
Tax Audit	0.150	0.150
TOTAL:	<u>0.500</u>	<u>0.500</u>

xviii. Related Party Disclosures (As identified by management) :

(i)The disclosures of transactions with the related parties as required by IND AS 24 "Related Party Disclosures" are given as under. Related parties have been identified on the basis of representation made by the management of the company and information available with the company.

Name of the related party and description of relationship:

Key Managerial Personnel (KMP) & Director

Sanjeev Harbanslal Bhatia (Executive Director)
Nikhil Harbanslal Bhatia (Executive Director)
Kamleshkumari Harbanslal Bhatia (Non- executive Director)- Appointed on 30/03/2020
Rashmi Kapil Arora (Independent Woman Director)
Arpit Arunkumar Jain (Independent Director)
Rachit Naresh Narang (Independent Director)
Mittal Narendrabhai Shah (Company Secretary)- Appointed on 12/04/2019
Avani Chaudhary (Company Secretary)- Resigned on 12/04/2019
Ravindra Sojal (Chief Financial Officer)

Relatives of KMP & Director

Garima Bhatia	Harshita Sojal
Hema Bhatia	Krunal Ravindra Sojal
Naresh Bhatia	Roshani Ravindra Sojal
Arsh Bhatia (Minor)	Ashok Tandan
Jeti Bhatia (Minor)	Pramod Tandan
Parishi Bhatia(Minor)	Kapil Arora
Narendrabhai Shah	Arunbhai Jain
Rekhaben Shah	Hansa Jain
Mamta Shah	Naresh Narang
Arunrao Sojal	Manjuben Narang
Vimlaben Sojal	

Enterprises owned or significantly influenced by KMP or their relatives:

Arsh Bhatia Marriage Trust	Bhatia Electronics
Parishi Bhatia Marriage Trust	Mohit Enterprises
Harbanslal Bhatia HUF	E Parisar Tech Pvt Ltd
Naresh Bhatia HUF	Telecity Enterprises LLP
Nikhil Bhatia HUF	SNV Distributors Pvt Ltd
Sanjeev Bhatia HUF	HSL Corporation LLP
Bhatia Mobile	Modern Commodeal Pvt Ltd
Bhatia Communication	

(ii) Transaction during the year with the related parties and closing balances as on 31.03.2020.

Nature of Transaction	Value of Transaction (Amount in lakhs)		
	Key Managerial Personnel (KMP) & Director	Relatives of KMP & Director	Enterprises owned or significantly influenced by KMP or their relatives
Loans Acccepted	220.550	28.850	73.600
Loans Repaid	62.300	40.538	88.588
Interest Paid	8.989	-	1.375
Director Remuneration	48.000	-	-
Salary Expenses	8.590	-	-
Rent	27.900	17.700	-
Purchase	-	-	2,003.750
Sale	-	-	212.961

Nature of Transaction	Closing Balances (Amount in lakhs)		
	Key Managerial Personnel (KMP) & Director	Relatives of KMP & Director	Enterprises owned or significantly influenced by KMP or their relatives
Unsecured Loan	194.634	-	10.382
Remuneration & Rent	38.810	5.940	-
Purchase	-	-	962.763
Sale	-	-	201.668

xix. Significant Judgements and Estimates

The preparation of the Company's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses, and the accompanying disclosures and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associates assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when financial statements were prepared. These estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

xx. Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation at the reporting date, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year. 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.

The areas involving critical estimates and judgements are:

- Useful lives of Property, plant and equipment and intangibles
- Measurement of defined benefit obligations
- Provision for inventories
- Measurement and likelihood of occurrence of provisions and contingencies
- Impairment of trade receivables
- Deferred Taxes

xxi. Dividend :

The Board has proposed a dividend of 40% per equity share, i.e. Rs 4 per share amounting to Rs 500.608 lakhs. The promoters of the Company have intended not to take the dividend declared and the Board have proposed to alter the article of association of the company to give effect to this request. If the articles are ammended suitably then the liability of dividend will only be towards public shareholders. The Company has 33 lakh public shareholders, so the dividend outgo may get reduced to Rs 132 lakhs. No Dividend Distribution tax is payable by the company and the dividend will be distributed after deducting appropriate TDS.

xxii. Corporate Social Responsibility (CSR) expenditure

As per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2020 is 8.87 Lacs , computed at 2% of its average net profit for the immediately preceding three financial years, on CSR. The Company incurred an amount of 21 Lacs during the years ended March 31, 2020, towards CSR expenditure.

xxiii. Other Notes :

Additional information required pursuant to The Companies Act 2013

a. Stock Details (Quantity)

	Opening	Inward	Outward	Closing
Mobile & Phones	20,151	4,36,006	4,31,494	24,663
Cards & Recharge	7,81,228	1,78,22,944	1,79,61,878	6,42,294
Other Sundry Items	5,60,629	4,91,293	5,14,043	5,37,879
Electonic Items	330	8,103	7,346	1,087

b. Foreign currency transactions

Income in Foreign Currency (Rs.)	Nil
Expenses in foreign currency (Rs.)	Nil

c.

Disclosure under Sec 22 of the Micro, Small and Medium Enterprises Development Act,2006 (MSMED):

The principal amount and the interest thereon due to any supplier as at the year end	The amount of payment made to the supplier beyond the appointed day and the interest thereon, during the year	The amount of interest due and payable for the period of delay in making payment	The amount of interest accrued and remaining unpaid at the	The amount of further interest remaining due and payable in the succeeding year
NIL	NIL	NIL	NIL	NIL

Dues to the Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information by the management. This has been relied upon by the auditors.

The Company is in the process of compilation of details of amounts due to small scale industrial units, and only the party who have informed their status as MSME to the company have been consider for above report.

d. Provision for current tax is made in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act 1961.

e. Impact of Covid- 19 (Global Pandemic)

The Company on basis of their assessment believes that the probability of the occurrence of their forecasted transaction is not impacted by COVID-19 pandemic. Although sales of the company have dropped in last fortnight of the year, impacting the profits of the company to an extent. The company has also considered the effect of changes, if any.

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED
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 132, DR AMBEDKAR SHOPPING CENTRE RING ROAD SURAT-395002
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NOTE 2

a. Property, plant and equipment

(Amount in lakhs.)						
PARTICULARS	COMPUTER AND DATA PROCESSING UNIT	ELECTRICAL INSTALLATION AND EQUIPMENTS	FURNITURE & FIXTURE	OFFICE EQUIPMENTS	VEHICLES	TOTAL
Year ended March 31, 2018						
Opening Gross Carrying Amount Deemed Cost as at April 1, 2018	54.231	50.835	425.182	94.930	187.136	812.314
Additions	33.753	8.864	71.208	17.962	111.187	242.974
Disposals	-	-	-	-	13.070	13.070
Capitalised /Transferred during the year	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31.03.2019	87.985	59.699	496.391	112.891	285.252	1,042.217
Accumulated Depreciation						
Opening Accumulated Depreciation	38.705	10.381	115.739	16.997	77.241	259.063
Depreciation Charge during the year	8.157	5.134	41.198	6.475	25.999	86.962
Disposals	-	-	-	-	9.393	9.393
Closing Accumulated Depreciation	46.861	15.515	156.937	23.472	93.846	336.632
Net Carrying Amount As On 31.03.2019	41.123	44.184	339.453	89.419	191.406	705.586
For Year Ended March 31, 2020						
Opening Gross Carrying Amount	87.985	59.699	496.391	112.891	285.252	1,042.217
Additions	2.325	8.473	38.881	2.542	4.640	56.860
Disposals	-	-	-	-	-	-
Capitalised /Transferred during the year	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31.03.2020	90.309	68.172	535.271	115.433	289.892	1,099.078
Accumulated Depreciation						
Opening Accumulated Depreciation	46.861	15.515	156.937	23.472	93.846	336.632
Depreciation Charge during the year	15.647	5.947	45.780	7.378	34.495	109.248
Disposals	-	-	-	-	-	-
Closing Accumulated Depreciation	62.508	21.462	202.718	30.851	128.341	445.879
Net Carrying Amount As On 31.03.2020	27.801	46.710	332.554	84.583	161.551	653.198

b. Goodwill

(Amount in lakhs.)

Particulars	GOODWILL
Year ended March 31, 2018	
Opening Gross Carrying Amount	29.000
Deemed Cost as at April 1, 2018	
Additions	-
Disposals	-
Capitalised /Transferred during the year	-
Closing Gross Carrying Amount as on 31.03.2019	29.000
Accumulated Amortization	
Opening Accumulated Amortization	-
Amortization Charge during the year	-
Disposals	-
Closing Accumulated Amortization	-
Net Carrying Amount As On 31.03.2019	29.000
For Year Ended March 31, 2020	
Opening Gross Carrying Amount	29.000
Additions	-
Disposals	-
Capitalised /Transferred during the year	-
Closing Gross Carrying Amount as on 31.03.2020	29.000
Accumulated Amortization	
Opening Accumulated Amortization	-
Amortization Charge during the year	-
Disposals	-
Closing Accumulated Amortization	-
Net Carrying Amount As On 31.03.2020	29.000

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SCHEDULES FORMING PART OF BALANCE SHEET

PARTICULARS	(Amount in lakhs.)		
	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
NOTE 3			
<u>LOANS - NON CURRENT</u>			
<u>Others- Unsecured Considered Good</u>			
LOANS AND ADVANCES	599.97	255.418	236.279
	599.97	255.418	236.279
NOTE 4			
<u>INVENTORIES</u>			
TRADED GOODS	2,230.502	1,640.540	1,547.451
	2,230.502	1,640.540	1,547.451
NOTE 5			
<u>TRADE RECEIVABLES</u>			
DEBT OUTSTANDING FOR MORE THAN SIX MONTHS	98.458	2.286	102.714
OTHERS	489.424	543.826	361.703
	587.882	546.112	464.418
NOTE 6			
<u>CASH AND CASH EQUIVALENTS</u>			
CASH ON HAND	336.073	104.218	95.594
F.D with HDFC Bank (Marked for Lien)	1,520.304	1,426.858	1,006.796
BALANCES WITH SCHEDULE BANK	107.587	94.294	358.132
	1,963.963	1,625.370	1,460.522
NOTE 7			
<u>LOANS- CURRENT</u>			
OTHERS:			
SHOP DEPOSIT	72.00	61.995	56.430
OTHERS, CONSIDERED GOOD:	370.22	348.143	233.779
	442.21	410.138	290.209
NOTE 8			
<u>EQUITY SHARE CAPITAL</u>			
<u>AUTHORISED</u>			
1,30,00,000 Equity shares of Rs 10 each	1,300.000	1,300.000	700.000
P.Y. 1,30,00,000 Equity shares of Rs 10 each	1,300.000	1,300.000	700.000
<u>ISSUED SUBSCRIBED & PAID UP</u>			
1,25,15,200 Equity Shares of Rs.10/- each	1,251.520	1,251.520	625.760
P.Y.1,25,15,200 Equity Shares of Rs. 10/- each	1,251.520	1,251.520	625.760

SUBSCRIBED AND FULLY PAID UP CAPITAL

1,25,15,200 Equity Shares of Rs.10/- each

P.Y.1,25,15,200 Equity Shares of Rs.10/- each

1,251.520 1,251.520 625.760

1,251.520	1,251.520	625.760
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SUBSCRIBED BUT NOT FULLY PAID UP CAPITAL

- - -

- - -

Reconciliation of Shares

	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018	
	Equity Shares		Equity Shares		Equity Shares	
	Number	In lakhs	Number	In lakhs	Number	In lakhs
Shares outstanding						
Shares outstanding at beginning of the year	1,25,15,200	1,251.520	62,57,600	625.760	5,15,100	51.510
Equity share issued during the year(IPO)	-	-	-	-	14,00,000	140.000
Bonus Shares issued during the year	-	-	62,57,600	625.760	43,05,000	430.500
Preference share converted into equity share	-	-	-	-	37,500	3.750
Share bought back during the year	-	-	-	-	-	-
Shares outstanding at end of the year	1,25,15,200	1,251.520	1,25,15,200	1,251.520	62,57,600	625.760

Shareholder(s) holding more than 5% shares

	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
	Equity shares of Rs.10 each					
Harbanslal Bhatia	-	-	-	-	23,80,000	38.03%
Sanjeev H Bhatia	42,60,000	34.04%	42,60,000	34.04%	21,30,000	34.04%
Nikhil Bhatia	48,32,854	38.62%	48,32,854	38.62%	36,427	0.58%

Shares allotted for consideration other than cash(for period of five years preceding the B/S date)

30,90,600 EQUITY SHARES OF Rs 10 each were issued as fully paid bonus shares on 30.09.2017 to the existing equity shareholders of the company. 37,500 PREFERENCE SHARES OF Rs 10 each has been converted into 37,500 EQUITY SHARE OF Rs. 10 on 30.09.2017.

12,14,400 EQUITY SHARES OF Rs 10 each were issued as fully paid bonus shares on 05.01.2018 to the existing equity shareholders of the company. 14,00,000 FRESH EQUITY SHARES OF Rs 10 each were issued on 16.02.2018 through BSE-SME IPO.

62,57,600 EQUITY SHARES OF Rs 10 each were issued as fully paid bonus shares on 10.10.2018 to the existing equity shareholders of the company.

Unpaid calls

By Directors

Nil

By Officers

Terms/rights attached to shares:

The Equity shares have a face value of Rs 10 per share. Each holder of share is entitled to one vote per share. In the event of liquidation of company all

shareholders will be entitled to receive remaining assets of the company after distribution of all preferential amounts in proportion to the shares held by them.

The Preference shares issued are 5% non cumulative fully convertible preference shares,convertible into one equity share each at the discretion of the

Board of directors. Dividend to be paid will rank in priority to equity shareholders, but the declaration of same vests with Board of directors, irrespective of

fact that company is making profits or not.The Preference share has been converted into equity share as on 30.09.2017

NOTE 9**OTHER EQUITY****SECURITIES PREMIUM RESERVE**

	31.03.2020	31.03.2019	01.04.2018
Opening balance	1,334.240	1,960.000	95.75
Add: Credited during the year	-	-	1,960.00
Less: Utilised during the year	-	625.760	95.75
Closing Balance	1,334.240	1,334.240	1,960.00

RETAINED EARNING

Opening balance	733.412	232.647	214.779
(+)Net Profit/Net Loss	541.987	504.100	357.579
(+)Transfer from reserves	-	-	-
(-)Issue of bonus shares	-	-	(334.750)
(-)Proposed dividends	-	-	-
(-)Transfer to reserves	-	-	-
(-) Other Comprehensive Income (Actuary Gain)	-	(3.335)	-
(-) Deferred tax adjustment	-	-	(4.961)
Closing Balance	1,275.399	733.412	232.647
Total Other Equity	2,609.639	2,067.652	2,192.647

NOTE 10**BORROWINGS: NON- CURRENT****LOAN FROM BANKS:****SECURED:**

HDFC Bank (Car Loan) (Hypothecation of Respective Motor Car)	14.114	46.427	27.653
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LOANS FROM DIRECTOR:**UNSECURED:**

	205.016	51.609	83.841
219.130	98.036	111.494	

NOTE 11**PROVISIONS: NON- CURRENT****PROVISION FOR EMPLOYEE BENEFITS****PROVISION FOR GRATUITY**

	30.556	21.861	20.992
30.556	21.861	20.992	

NOTE 12**OTHER NON- CURRENT****DEPOSIT****BRANCH PARTNER DEPOSIT**

	156.750	64.000	-
156.750	64.000	-	

NOTE 13**BORROWINGS- CURRENT****LOAN FROM BANKS:****SECURED:**

HDFC Bank O/D.	858.746	434.955	60.794
----------------	---------	---------	--------

(Secured against Fixed Deposit of company, repayable on demand and interest will be charges @ 1% plus rate of interest given on FD to the company) (Total overdraft facility - Rs 14 Crores)

858.746	434.955	60.794
----------------	----------------	---------------

NOTE 14

TRADE PAYABLES

SUNDRY CREDITORS FOR GOODS
CREDITORS FOR EXPENSES
CREDITORS FOR OTHERS

1,000.364	935.031	1,256.624
123.999	73.230	76.626
5.491	7.787	18.613
1,129.854	1,016.049	1,351.863

NOTE 15

OTHER FINANCIAL LIABILITIES

CURRENT MATURITIES OF LONG TERM DEBT:
HDFC CAR LOAN
ICICI BANK CAR LOAN

38.462	38.462	16.427
-	-	0.632
38.462	38.462	17.059

NOTE 16

PROVISIONS - CURRENT

PROVISION FOR EMPLOYEE BENEFIT

PROVISION FOR GRATUITY

OTHERS

PROVISION FOR TAXATION

1.357	4.694	0.869
-	-	-
194.396	199.085	188.976
195.754	203.779	189.845

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED
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132, DR AMBEDKAR SHOPPING CENTRE RING ROAD SURAT-395002
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SCHEDULES FORMING PART OF STATEMENT OF PROFIT AND LOSS

PARTICULARS	(Amount in lakhs.)	
	As at 31.03.2020	As at 31.03.2019
NOTE 17		
REVENUE FROM OPERATION		
SALE OF GOODS(Net)	16,803.318	16,509.487
	16,803.318	16,509.487
NOTE 18		
OTHER INCOME		
DEBIT NOTE A/C	1,841.663	1,624.226
CREDIT NOTE	(250.149)	(262.457)
COMMISSION INCOME	3.385	-
OTHER INCOME	31.331	32.260
VATAV KASAR A/C	144.649	100.182
INTEREST RECEIVED	125.809	72.317
	1,896.688	1,566.529
NOTE 19		
INCREASE (DECREASE) IN INVENTORY		
OPENING STOCK	1,640.540	1,547.451
LESS: GST CREDIT TAKEN ON STOCK	-	27.968
LESS: CLOSING STOCK	2,230.502	1,640.540
	(589.963)	(121.057)
NOTE 20		
EMPLOYEE BENEFIT EXPENSES		
BONUS & INCENTIVES EXPENSES	9.867	8.472
DIRECTORS REMUNERATION	48.000	62.000
E.P.F. & E.S.I	1.045	1.101
SALARY EXPENSES	286.931	301.376
STAFF WELFARE	-	0.184
GRATUITY	9.618	4.694
	355.462	377.827
NOTE 21		
FINANCIAL COSTS		
BANK CHARGES A/C	0.321	0.050
CARD SWAPING CHARGES	43.760	34.715
BANK INTEREST A/C.	56.538	7.029
FINANACE CHARGES	32.186	-
PROCESSING FEES	-	0.242
INTEREST ON SECURED LOAN	6.148	-
INTEREST EXPENSES	10.364	11.082
	149.318	53.118

NOTE 22**OTHER EXPENSES****PAYMENT TO AUDITOR:**

AS AUDITOR	0.350	0.350
AS TAX AUDITOR	0.150	0.150

RATES & TAXES:

GST LATE FEES	0.216	0.116
PROFESSIONAL TAX A/C	0.706	-
SMC TAXES	6.314	8.793
EQUALISATION LEVY	-	0.832
VAT EXPENSES	1.371	-
RENT	267.182	236.080
REPAIR & MAINTENANCE	15.238	16.185

MISCELLANEOUS EXPENSES:

ACCOUNTANT FEE	0.260	0.240
ADVERTISEMENT EXP.	57.278	78.840
COMMISSION EXPENSES	81.418	89.042
COMPUTER EXPENSES	3.530	0.907
DONATION	1.000	0.366
CSR EXPENSE	21.000	-
DISCOUNT A/C	3.948	-
E PORTAL CHARGES	112.521	66.135
ELECTRICITY EXPENSES	82.977	74.854
FIXED ASSETS WRITTEN OFF	-	0.256
GST E WAY BILL PENALTY	1.290	-
INCENTIVE TO SALES PERSON	1.877	-
INTEREST ON TDS	0.093	0.219
INTEREST ON EQUALISATION LEVY	0.024	0.020
INSURANCE EXPENSE	6.567	6.867
LEGAL & CONSULTING EXP	8.277	5.995
LISTING EXPENSES	-	7.848
MOBILE BILLS EXP.	2.734	3.416
PINE LABS PROCESSING CHARGE	4.430	-
POSTAGE & COURIER EXP.	1.094	0.106
PRINTING & STATIONARY A/C	3.352	6.453
ROC FEES	0.099	6.252
SALES PROMOTION A/C	1.127	3.254
SHOP MAINTENANCE	1.577	0.286
SHOP EXPENSES	53.523	46.934
SECURITY EXP	1.200	1.920
TELEPHONE EXPENSES	-	0.061
TRAVELLING EXPENSES	61.765	8.392
FOREIGN TRAVELLING EXPENSES	16.753	13.896
WEB DESIGNING EXP	-	0.535
WALL PAINTING EXP	0.589	4.686
VEHICLE EXPENSE	5.483	8.424
INTERNET & VPN CONNECTION EXPENSES	2.132	2.481
	829.446	701.190

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

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23 First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1, 2019 with a transition date of April 1, 2018. These are the first financial statements for the year ended March 31, 2020 which are prepared under Ind AS by the Company. For all period's upto and including the year ended 31st March, 2019, the Company has prepared its financial statements in accordance with the previously applicable Indian GAAP (previous GAAP).

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March 2020, together with the comparative information as at and for the year ended 31st March 2019. The Company's opening Ind AS Balance Sheet has been prepared as at 1st April 2018, the date of transition to Ind AS.

In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company financial position, financial performance and cash flows is set out in the following tables and notes:

I. Ind AS 101 Exemptions applied:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

i. Deemed cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying values for all of its Property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. This exemption is also used for intangible assets covered under Ind AS 38 'Intangible assets'.

Accordingly, the Company has opted to consider the carrying value for all of its Property, plant and equipment and Intangible assets as recognised in its previous GAAP financials as its deemed cost at the transition date.

ii. Derecognition of financial assets and financial liabilities

Ind AS 101 permits a first time adopter to apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

Accordingly the company has opted to consider the measurement of financial assets and liabilities arisen before the date of transition of Ind AS as per previous GAAP.

iii. **Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies). The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2018, the date of transition to Ind AS and as of March 31, 2019.

II. **Reconciliations between previous GAAP and Ind AS:**

A. **Reconciliation of Total equity as at 31 March, 2019 and 1 April, 2018**

(Amount in lakhs.)

Particulars	31st March, 2019	1st April, 2018
Total Equity reported under Previous GAAP	3,329.703	2,823.368
Summary of Ind AS adjustments		
Proposed dividend and dividend distribution tax	-	-
Share based payment costs recognised based on fair value method	-	-
Employee Benefits - Actuarial gain/(loss) on long term defined benefits plan	-	-
Others	-	-
Deferred tax due to Ind AS adjustments	(10.531)	(4.961)
Total Ind AS adjustments	(10.531)	(4.961)
Total Equity reported under Ind AS	3,319.172	2,818.407

B. **Reconciliations of Total comprehensive income for the year ended 31st March, 2019**

Particulars	31st March, 2019
Net Profit reported under previous GAAP	506.335
Summary of Ind AS adjustments	
Reversal of amortization of goodwill acquired in a Business Combination	-
Share based payment costs recognised based on fair value method	-
Employee Benefits - Actuarial gain/(loss) on long term defined benefits plan	3.335
Others	-
Deferred tax due to Ind AS adjustments	-5.570
Total Ind AS adjustments	-2.235
Net profit reported under Ind AS	504.100
Other comprehensive income (Net of deferred taxes)	-
Total comprehensive income reported under Ind AS	504.100

III. **Reconciliation of Statement of cash flows**

There was no material differences between the Statement of Cash Flows presented under Ind AS and under previous GAAP.

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Fair value measurements

Financial instruments by category	March 31, 2020			March 31, 2019			April 01, 2018		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets									
Trade Receivables	-	-	587.882	-	-	546.112	-	-	464.418
Cash and Cash Equivalents	-	-	1,963.963	-	-	1,625.370	-	-	1,460.522
Other Financial Assets	-	-	1,042.177	-	-	665.556	-	-	526.488
Total financial assets	-	-	3,594.023	-	-	2,837.037	-	-	2,451.428
Financial liabilities									
Borrowings	-	-	1,077.876	-	-	532.991	-	-	172.288
Trade Payable	-	-	1,129.854	-	-	1,016.049	-	-	1,351.863
Other Financial Liabilities	-	-	-	-	-	-	-	-	-
Total financial liabilities	-	-	2,207.730	-	-	1,549.039	-	-	1,524.151

Fair value hierarchy

Ind AS -113 contains a fair value hierarchy that is similar to the hierarchy established under Ind AS-107. The highest priority is given to level-1 inputs; Level-3 inputs get the lowest priority. The fair value hierarchy ranks fair value measurements based on the type of inputs; it does not depend on the type of valuation techniques used. A fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest-level input that is significant to the entire measurement.

Levels of Hierarchy:

Level 1: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: Level 3 inputs are unobservable inputs for the asset or liability. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Note: We have identified all our Financial assets and liabilities in **Level-3** as per fair value heirarchy.

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	(Amount in lakhs.)					
DEFERRED TAX LIABILITIES AS ON 31-03-2020	31.03.2020		31.03.2019		01.04.2018	
WDV as per Books	653.198		705.586		553.251	
WDV as per IT Act	641.742		680.992		531.571	
	11.456		24.594		21.681	
Deferred Tax Liability @ 25.168%	2.883	2.883	6.394	6.394	6.518	6.518
DEFERRED TAX ASSETS AS ON 31-03-2020						
- On provision for Gratuity	9.618		4.694		21.861	
	9.618		4.694		21.861	
Provision for Employees Benefit	2.421		1.220		6.572	
		2.421		1.220		6.572
Net deferred tax liability/(asset)		0.462		5.174		(0.054)
Add: Deferred Tax Asset due to Ind-AS		-		-		-
Net Deferred Tax Liability as on 31-03-2020		0.462		5.174		(0.054)
Deferred Tax Liability/Asset as on Previous Year		(15.850)		(10.676)		(10.730)
Additional Provision for Deferred Tax Assets or Liability		(0.462)		(5.174)		0.054
Additional Provision for Deferred Tax Asset due to Ind-AS		-		-		-
Net deferred Tax Liability/(Assets) as on 31.03.2020		(16.313)		(15.850)		(10.676)

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

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Regd Off: 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat-395002

Website: www.bhatiamobile.com, E mail: info@bhatiamobile.com, Ph: 0261-2349892**ATTENDANCE SLIP**

Name of the member(s):	
Registered Address:	

Folio No		*DP ID	
No. of Shares		*Client ID	

* Applicable to holders holding shares in demat/electronic form

I hereby record my attendance at the 12th Annual General Meeting of the Company held on Friday, the 18th day of September, 2020 at the registered office of the company situated at 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat-395002, Gujarat at 11:00 A.M.

Shareholders Signature

Note:

1. Please fill this attendance slip and hand it over at the entrance of the Meeting Hall.
2. Members signature should be in accordance with the specimen signature in the Register of Members of the Company.
3. Members are requested to bring their copy of the Annual Report and this Attendance Slip at the Annual General Meeting of the Company.

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

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Website: www.bhatiamobile.com, E mail: info@bhatiamobile.com, Ph: 0261-2349892**Form MGT-11****PROXY FORM**

[Pursuant to section 105(6) if the Companies Act, 2013 and rule 19(3) if the Companies (Management and Administration Rules, 2014)]

Name of the member(s):	
Registered Address:	
E-mail ID:	
Folio No/ *Client ID:	
*DP ID:	

*Applicable for holders holding shares in demat/ electronic mode

I/We, being the member(s) of Shares of the above named company, hereby appoint

- Name:.....Address:.....
E-mail ID:Signature: **Or failing him**
- Name:.....Address:.....
E-mail ID:Signature: **Or failing him**
- Name:.....Address:.....
E-mail ID:Signature:

As my/our proxy to attend and vote (on a poll) for me/ us and my/our behalf at the 12th Annual General Meeting of the Company, to be held on Friday, the 18th day of September, 2020 at 11:00 a.m. at the registered office of the company situated at 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat-395002, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Ordinary Resolution	For	Against
1	Adoption of Annual Accounts, Auditor's & Director's Report.		
2	Declaration of dividend on equity shares @ 40% i.e. Re.4/- per share		
3	Re-appointment of Mr. Nikhil Harbanslal Bhatia (DIN: 02063706), Whole Time Director. Who retires by rotation and being eligible, offers himself for re-appointment.		
4	Appointment Of Director Of The Company.		

Signed this _____ day of _____ 2020.

Affix Re. 1
Revenue Stamp

Signature of Shareholder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

BALLOT FORM

1. Name(s) of Member(s) :
(Including joint holders, if any)
2. Registered address of the :
Sole/first named Member
3. Registered folio No./ :
DP ID No./Client ID No.*
(*Applicable to investors holding
Shares in dematerialized form)
4. Number of Shares held :
5. I/We hereby exercise my/our vote in respect of the Resolution to be passed through Postal Ballot for the Business stated in the Postal Ballot Notice and Explanatory Statement annexed thereto by sending my/our assent (FOR) or dissent (AGAINST) to the said resolution by placing the tick (✓) mark at the appropriate box below:

Item No.	Item	Nature of Resolution	No. of shares	I/We Assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)	(ABSTAIN)
1	Adoption of Annual Accounts, Auditor's & Director's Report.	Ordinary				
2	Declaration of dividend on equity shares @ 40% i.e. Re.4/- per share	Ordinary				
3	Re-appointment of Mr. Nikhil Harbanslal Bhatia (DIN: 02063706), Whole Time Director. Who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary				
4	Appointment Of Director Of The Company.	Ordinary				

Place:

.....

Date:

(Member)

ELECTRONIC VOTING PARTICULAR

EVEN (E VOTING EVENT NUMBER)
113530

E-Voting shall remain start on Tuesday, 15th day of September, 2020 (9.00 a.m.) and will be open till Thursday, 17th day of September, 2020 till the close of working hours (i.e. 5.00 p.m.).

Note: Please read the instructions printed overleaf carefully before exercising your vote.

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THE MINISTRY OF CORPORATE AFFAIRS HAS TAKEN A “GREEN INITIATIVE IN THE CORPORATE GOVERNANCE” BY ALLOWING PAPERLESS COMPLIANCES BY THE COMPANIES AND HAS ISSUED CIRCULAR STATING THAT SERVICE OF NOTICE/DOCUMENTS INCLUDING ANNUAL REPORT CAN BE SENT BY E-MAIL TO ITS MEMBERS. TO SUPPORT THIS GREEN INITIATIVE OF THE GOVERNMENT, MEMBERS WHO HAVE NOT REGISTERED THEIR E-MAIL ADDRESS, SO FAR, ARE REQUESTED TO GET THEIR E-MAIL ADDRESSES, IN RESPECT OF ELECTRONIC HOLDING WITH DEPOSITORY THROUGH THEIR CONCERNED DEPOSITORY PARTICIPANTS. MEMBERS, WHO HOLD SHARES IN PHYSICAL FORM, ARE REQUESTED TO GET THEIR SHARES DEMATERIALIZED.

BHATIA'S[®]
The mobile one stop shop

BHATIA COMMUNICATIONS & RETAIL (INDIA) LIMITED

Registered Office

132, Dr. Ambedkar Shopping Centre, Ring Road, Surat-395002

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