

## DIRECTORS' REPORT

To,  
The Members,

Your Directors have pleasure in presenting the 20<sup>th</sup> Annual Report on the performance and financial position for the financial year ended on 31<sup>st</sup> March, 2021, together with the audited financials.

### 1. STANDALONE FINANCIALS:

(Rs. in Million)

Particulars	As on 31.03.2021	As on 31.03.2020
Total Income	16,695.26	19,335.29
Total Expenditure Before Interest, Depreciation, Tax	(14,368.73)	(16,811.00)
Earnings Before Interest, Depreciation, Tax	2,326.53	2,524.29
Interest	(861.87)	(910.57)
Profit before Depreciation and Tax from continuing operations	1,464.66	1613.72
Depreciation	(246.67)	(220.24)
Profit Before Tax from continuing operations	1,217.99	1,393.48
Tax expense of continuing operations	(95.29)	(216.16)
Profit after Tax from continuing operations	1,122.70	1,177.32
Profit/(Loss) Before Tax from discontinued operations	(308.78)	(105.02)
Tax (expense)/income of discontinued operations	96.10	111.71
Profit/(Loss) after Tax from discontinued operations	(212.68)	6.69
Total Profit for the year	910.02	1,184.01

### 2. SUBSIDIARIES, ASSOCIATE COMPANIES, JOINT VENTURES AND CONSOLIDATION OF FINANCIALS:

The list of subsidiaries, associate Companies and joint ventures of the Company as on the end of the financial year is as under:

Name of the Entity	Nature
BVG Kshitij Waste Management Services Private Limited	Subsidiary Company
Out-of-Home Media (India) Private Limited	Subsidiary Company
BVG Skill Academy	Subsidiary Company
BVG-UKSAS (SPV) Private Limited	Subsidiary Company
BVG-UKSAS EMS Private Limited	Associate Company
BVG Krystal Joint Venture	Joint Venture

In accordance with Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company and all its subsidiaries, associate and joint ventures have been prepared and approved by the Board.

Further, the report on the performance and financial position of each of the subsidiary, associate and joint venture and salient features of the financial statements in the prescribed Form **AOC-1** is annexed to this report-**Annexure I**.

## **STATE OF COMPANY'S AFFAIRS, FUTURE OUTLOOK ETC. :**

### **A. YEAR IN RETROSPECT:**

The Financial Year under review was an extremely challenging environment. The pandemic emerged as a global challenge, taking a huge toll on both the physical and mental health of the general population. The Company rose to the challenge amidst this unprecedented environment, managing to minimize the impact on its revenue streams from facility services, with an improved profitability.

During the year, when the Central and State Governments imposed lockdowns at various points of time, a significant portion of our business was listed as essential services across the locations in which we operate. The Company was able to provide uninterrupted services throughout the year, ensuring that our customers continue to run their businesses without disruptions. The Company, through its unique positioning in emergency services and healthcare, assisted multiple government agencies in performing their duties successfully and received appreciation from the government and public at large for the same. The Company continues to be fully aligned with government guidelines and best practices on safety health and hygiene playing an integral role in COVID relief.

The lockdown has impacted businesses and life-in-general globally, but the resilience of our business segments, and workforce in general, has helped the Company to perform ably and with passion. These turbulent times have helped your Company come to the fore, with many of our employees spread across all segments and locations, being recognized by the customers and communities. The Company also implemented various measures to ensure safety and well-being of our employees in offices and sites, as well as to ensure uninterrupted services at client sites.

The Company had commenced providing emergency medical services in the union territories of Jammu, Kashmir and Leh towards the end of last year, and further consolidated it in the current year, gaining wide recognition and appreciation for the services during the COVID outburst, especially from local communities. Later, in June this year, the Company successfully handed over to the customer its maiden Solar EPC project of 100 MW at Chennai, having commissioned it well within the given time. Owing to its award-winning performance in this contract, the Company further received similar solar EPC contracts in the states of Rajasthan and Uttar Pradesh. The Company continued its focus on Solid Waste Management as being a key contributor in its growth, winning contracts in Haryana and Maharashtra. Despite restrictions imposed due to COVID, the Company bagged certain prestigious contracts such as RBI Mumbai and IIM Ahmedabad for providing facility management services, while continuing its foray into Infrastructure sector through key contracts for airports and road transport.

Despite experiencing a sharp fall in revenue in the first quarter, your Company has progressively strengthened during the year, displaying a robust and resilient performance. The total income generated from continued operations is Rs. 16,695.26 Million as compared to Rs. 19,335.29 Million in 2019-20. Earnings before Interest, Tax and Depreciation (EBITDA) from continuing operations during the year under review stood at Rs. 2,326.53 Million as against Rs. 2,524.29 Million in the previous year.

Profit before Tax from continuing operations stood at Rs. 1,217.99 Million as against Rs. 1,393.48 Million in the previous year. Profit after tax from continuing operations is Rs. 1,122.70 Million as against Rs. 1,177.32 Million in the previous year. However the total Net Profit after appropriating losses from discontinuing operations stood at Rs. 910.02 Million as against Rs. 1,184.01 Million in the previous year.

The Company has altered the existing Clause V of the Memorandum of Association of the Company for increasing its Authorised Share Capital from the existing Rs. 42,00,00,000/- (Rupees Forty Two Crores only) divided into 2,71,64,861 (Two Crores Seventy One Lakhs Sixty Four Thousand Eight Hundred and Sixty One) equity shares of Rs. 10/- (Rupees Ten only) each and

1,48,35,139 (One Crore Forty Eight Lakhs Thirty Five Thousand One Hundred and Thirty Nine) compulsory convertible cumulative preference shares of Rs. 10/- (Rupees Ten only) each to Rs. 47,00,00,000/- (Rupees Forty Seven Crores only) divided into 3,21,64,861 (Three Crores Twenty One Lakhs Sixty Four Thousand Eight Hundred and Sixty One only) equity shares of Rs. 10/- (Rupees Ten only) each and 1,48,35,139 (One Crore Forty Eight Lakhs Thirty Five Thousand One Hundred and Thirty Nine) compulsory convertible cumulative preference shares of Rs. 10/- (Rupees Ten only) each. The Company has also substituted the existing set of Articles of Association of the Company with the new set of Articles of Association of the Company post approval of members in Extra-Ordinary General Meeting dated July 30, 2020.

The Company has received notice under Section 206(1) of the Companies Act, 2013 on January 28, 2020 from the Registrar of Companies, Pune seeking further information and clarification of the documents/forms filed by the Company. All relevant information/documents have been submitted within the prescribed timeline and there are no further queries raised.

## **B. FUTURE OUTLOOK:**

The COVID-19 pandemic is a global humanitarian and health crisis, which continues to impact key geographies and industries that we cater to. The COVID-19 pandemic has impacted, and may further impact all of our stakeholders- employees, clients, vendors and the communities we operate in. A significant portion of the industries we operate in are intricately linked to the overall economic growth of the country. The forecasted growth rate for India for Fiscal year 2022 has been pegged to be around 8 to 10% in various agencies. However, these are bound to be hit negatively on account of the second wave of COVID-19, which has impacted India severely.

The pandemic, especially with further waves expected to hit India soon, may have heightened the several risks relating to continuity of operations in certain industries. The Company is actively monitoring the impact of COVID-19 pandemic on its financial condition, liquidity, operations, suppliers, industry and workforce. We believe that your Company will be able to sustain this impact, given the essential nature of its services, and the resilience demonstrated previously. While repeated lockdowns will impact our ability to deliver obligations within the expected timeframe in certain industries, we do not foresee for this to have a significant impact on our operations. However, prolonged and sustained impact of the pandemic is likely to impact the customers' ability to pay in time, thereby affecting our liquidity.

The long-term trends continue to be robust with the integral components having the right momentum and direction. Certain key segments of growth, like emergency medical services, emergency police services, solid waste management have been unaffected due to COVID-19, and will most likely continue to increase in terms of the level of operations. Similarly, in the facility management vertical, increased focus on and awareness of health, hygiene and sanitation is expected to lead to a greater demand for our services, and an increased inclination to opt for outsourced solutions like ours. We believe that we are well positioned to utilize these opportunities to foray into different industries like refineries, residential societies and further strengthen our presence in segments like hospitals, educational institutes, transport and infrastructure.

**C. SIGNIFICANT AND MATERIAL ORDERS:**

There is no material order passed during the year.

**D. MATERIAL CHANGES ETC. AFTER THE CLOSE OF THE FINANCIAL YEAR:**

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

**3. RESERVES:**

During the year, your Company does not propose to carry any amount to the General Reserve account.

**4. DIVIDEND:**

The Board of Directors has not recommended any dividend for the financial year ended March 31, 2021 in respect of Equity Shares. However the holders of Compulsory Convertible Cumulative Preference Shares (CCPS) are entitled to a dividend of 0.001% of Preference share Capital aggregating to Rs. 1,484/-.

There has been no transfer of unclaimed or unpaid dividend to Investor Education and Protection Fund during the year. Accordingly, the provisions of Section 125 (2) of the Companies Act, 2013 do not apply to the Company.

**5. DEPOSITS:**

The Company has neither accepted nor renewed any deposits under Chapter V of the Companies Act, 2013. Also, there are no deposits which remained unpaid or unclaimed as at the end of the year. The question of default in repayment of deposits or payment of interest thereon did not arise during the year.

**6. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules, 2014, an extract of the Annual Return of the Company for the year ended 31<sup>st</sup> March, 2021 is annexed in the prescribed Form MGT-9-Annexure II.

**7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in the financials and notes on accounts.

**8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 188 of the Companies Act, 2013 are annexed to this report in prescribed form AOC-2 - Annexure III.

## 9. DIRECTORS:

### A. BOARD COMPOSITION:

The Board of Directors is duly constituted and consists of the following Directors as on the close of the financial year:

DIN	Name	Designation
01597742	Mr. Hanmantrao R. Gaikwad	Chairman and Managing Director
01597365	Mr. Umesh G. Mane	Vice Chairman and Joint Managing Director
06972087	Mrs. Swapnali D. Gaikwad	Woman Director
07775198	Mr. Pankaj Dhingra	Director
02434630	Mr. Jayant G. Pendse	Independent Director
03069236	Mr. Chandrakant N. Dalvi	Independent Director
02142050	Mr. Prabhakar D. Karandikar	Independent Director
08152265	Mr. Rajendra R. Nimbhorkar	Independent Director

### B. APPOINTMENT AND RESIGNATION:

Mr. Prabhakar D. Karandikar and Mr. Rajendra R. Nimbhorkar were appointed as Additional Directors to be designated as "Non-Executive & Independent Director" by the Board with effect from February 08, 2020. Subsequently they have been appointed as Directors designated as "Non-Executive & Independent Director" in the Extra-Ordinary General Meeting held on July 30, 2020.

### C. RETIREMENT BY ROTATION:

Mrs. Swapnali D. Gaikwad, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for reappointment.

### D. MEETINGS OF THE BOARD:

The Board met Six (6) times during the Financial Year viz. on May 09, 2020, July 04, 2020, July 27, 2020, August 14, 2020, October 16, 2020 and February 08, 2021. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Name of Director	No. of Board Meetings Entitled to attend	No. of Board meetings attended
Mr. Hanmantrao R. Gaikwad	6	6
Mr. Umesh G. Mane	6	5
Mrs. Swapnali D. Gaikwad	6	4
Mr. Pankaj Dhingra	6	5
Mr. Jayant G. Pendse	6	6
Mr. Chandrakant N. Dalvi	6	6
Mr. Rajendra R. Nimbhorkar	6	5
Mr. Prabhakar D. Karandikar	6	6

## 10. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with Section 134 (3) (c) read with Section 134 (5) the Directors state that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. 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 of the Company at the end of the financial year and of the profit of the Company for that period;

- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a going concern basis; and
- e. \* not applicable, being an unlisted Company;
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**11. KEY MANAGERIAL PERSONNEL:**

Mr. Niraj Kedia, Chief Financial Officer (CFO) has resigned w.e.f from August 01, 2020. The Board places on record the guidance and contribution made by Mr. Niraj Kedia in the growth of the Organization during his tenure as CFO of the Company. Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Company has appointed Mr. Manoj Jain as the new “Chief Financial Officer of the Company” (“CFO”) w.e.f August 01, 2020 on the terms and conditions including the terms of remuneration as recommended by the Nomination and Remuneration Committee with the liberty to the Board of Directors to alter or vary the same as may be agreed to between the Board and the CFO.

During the financial year appointment of following Key Managerial Personnel was noted by the Board of Directors:

1. Mr. Hanmantrao R. Gaikwad, Chairman and Managing Director
2. Mr. Umesh G. Mane, Vice- Chairman and Joint Managing Director
3. Mr. Manoj P. Jain, Chief Financial Officer
4. Ms. Rajni R. Pamnani, Company Secretary

**12. COMMITTEES OF THE BOARD:**

The Company has constituted various committees in accordance with the Companies Act, 2013, as detailed below:

**A. AUDIT COMMITTEE:**

In accordance with Section 177 of the Companies Act, 2013, the Board has reconstituted the audit committee consisting of Four Directors with Independent Directors forming a majority. The Composition of the committee as on the close of the financial year is as under:

Sr. No.	Name of the Committee Member	Category
1.	Mr. Jayant G. Pendse	Independent Director
2.	Mr. Chandrakant N. Dalvi	Independent Director
3.	Mr. Pankaj Dhingra	Non-Executive Director
4.	Mr. Prabhakar D. Karandikar*	Independent Director

\*Mr. Prabhakar Karandikar has been appointed as member of Audit Committee on August 14, 2020.

The Audit Committee met twice during the financial year viz. on July 27, 2020 and February 05, 2021. The Board has accepted all the recommendations made by Audit Committee during the year.

The Audit Committee has formulated the scope, functioning, periodicity and methodology for conducting the internal audit, in consultation with the internal auditors.

**B. NOMINATION AND REMUNERATION COMMITTEE:**

In accordance with Section 178 of the Companies Act, 2013, the Board has re-constituted the Nomination and Remuneration Committee consisting of three Independent Directors of the Company. The Composition of the Committee as on the close of the financial year is as under:

Sr. No.	Name of the Committee Member	Category
1	Mr. Jayant G. Pendse	Independent Director
2	Mr. Chandrakant N. Dalvi	Independent Director
3	Mr. Rajendra R. Nimbhorkar**	Independent Director

The Nomination and Remuneration Committee met once during the financial year on July 30, 2020.

\*Mr. Pankaj Dhingra ceases to be a member of Audit Committee w.e.f August 14, 2020.

\*\* Mr. Rajendra Nimbhorkar has been appointed as member of Audit Committee on August 14, 2020.

The Committee has formulated the criteria for determining qualifications, positive attributes and independence of a Director and a policy has been framed for appointment and remuneration of Directors, key managerial personnel and other employees.

The Board noted the evaluation of every Director's performance during the year, carried out by the committee.

**C. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

In accordance with Section 135 of the Companies Act, 2013, the Board has constituted the Corporate Social Responsibility Committee consisting of three Directors out of which one is an Independent Director of the Company.

The Composition of the committee as on the close of the financial year is as under:

Sr. No.	Name of the Committee Member	Category
1.	Mr. Hanmantrao R. Gaikwad	Chairman and Managing Director
2.	Mr. Umesh G. Mane	Vice Chairman and Joint-Managing Director
3.	Mr. Jayant G. Pendse	Independent Director

The CSR Committee met once during the financial year on March 09, 2021.

**D. FINANCE COMMITTEE:**

The Company is growing and the nature of transactions is such that periodically various credit facilities are required from Banks and Finance Companies for purchase of vehicles/term loans/working capital etc. In view of this, the Board of Directors of the Company have formulated a Finance Committee delegating the authority to the members of the Finance Committee to sanction approvals for borrowings from time to time upto Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores only).

The Composition of the committee as on the close of the financial year is as under:

Sr. No.	Name of the Committee Member	Category
1.	Mr. Hanmantrao R. Gaikwad	Chairman and Managing Director
2.	Mr. Umesh G. Mane	Vice Chairman and Joint-Managing Director
3.	Mrs. Swapnali D. Gaikwad	Director

The Finance Committee met thrice during the financial year on May 20, 2020, July 16, 2020 and March 09, 2021.

#### **E. RISK MANAGEMENT COMMITTEE**

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted the Risk Management Committee on August 14, 2020 consisting of four Members out of which one is an Independent Director of the Company.

The Composition of the committee as on the close of the financial year is as under:

<b>Sr. No.</b>	<b>Name of the Committee Member</b>	<b>Category</b>
1.	Mr. Hanmantrao R. Gaikwad	Chairman and Managing Director
2.	Mr. Umesh G. Mane	Vice Chairman and Joint-Managing Director
3.	Mr. Rajendra R. Nimbhorkar	Independent Director
4.	Mr. Manoj P. Jain	Chief Financial Officer

However, convening of the said committee meeting is not presently applicable to the Company.

#### **F. STAKEHOLDERS RELATIONSHIP COMMITTEE**

In compliance with the provisions of the Companies Act, 2013 and the rules made thereunder, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the uniform listing agreements, the Board has constituted the Stakeholders Relationship Committee on August 14, 2020 consisting of three Members out of which Chairman is an independent Director of the Company.

The Composition of the Committee as on the close of the financial year is as under:

<b>Sr. No.</b>	<b>Name of the Committee Member</b>	<b>Category</b>
1.	Mr. Prabhakar D. Karandikar	Independent Director
2.	Mr. Hanmantrao R. Gaikwad	Chairman and Managing Director
3.	Mr. Umesh G. Mane	Vice Chairman and Joint-Managing Director

However, convening of the said committee meeting is not presently applicable to the Company.

### **13. POLICIES FORMULATED BY THE BOARD:**

The Company has formulated various policies in accordance with the Companies Act, 2013, as detailed below:

#### **A. NOMINATION AND REMUNERATION POLICY:**

In accordance with Section 178 of the Companies Act, 2013, the Board, at its meeting held on September 19, 2014, has approved the Nomination and Remuneration (N&R) Policy, upon recommendations of the Nomination and Remuneration Committee, relating to the remuneration for the Directors, Key Managerial Personnel and other Employees. However, in terms of SEBI Listing Regulations and Companies Act 2013, the Board at its meeting held on August 14, 2020, has adopted revised N&R Policy in supersession to the aforesaid existing policy.

#### **B. CORPORATE SOCIAL RESPONSIBILITY POLICY:**

In accordance with Section 135 of the Companies Act, 2013, the Board, at its meeting held on September 19, 2014, has approved the Policy for Corporate Social Responsibility (CSR Policy) upon recommendations of CSR committee. However, in terms of SEBI Listing Regulations and Companies Act 2013, the Board at its meeting held on August 14, 2020, has adopted revised CSR Policy in supersession to the aforesaid existing policy.

During the year, the Company has not spent any amount towards Corporate Social Responsibility (CSR) in various activities specified in Schedule VII. The details are mentioned in the **Annexure IV**.

**C. RISK MANAGEMENT POLICY:**

The Company has well defined Risk Management Policy and potential risks have been identified. The Audit Committee discusses the various risks at regular intervals and the necessary steps are taken to reduce the impact of risks. However, in terms of SEBI Listing Regulations and Companies Act 2013, the Board at its meeting held on August 14, 2020, has adopted revised Risk Management Policy in supersession to the aforesaid existing policy.

**D. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

In accordance with Section 177 (9) of the Companies Act, 2013, the Company has established a vigil mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for (a) adequate protection/ safeguards against victimization of persons who use the Vigil Mechanism; and (b) direct access to the Chairman of the Board of Directors of the Company in appropriate or exceptional cases (c) Identity of Whistle Blower is kept confidential to the extent possible and permitted under law. However, in terms of SEBI Listing Regulations and Companies Act 2013, the Board at its meeting held on August 14, 2020, has adopted revised Whistle Blower Policy in supersession to the aforesaid existing policy.

**E. POLICY ON ANTI- SEXUAL HARASSMENT OF WOMAN AT WORKPLACE:**

The Company has in place a Sexual Harassment Policy in line with the requirement of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. However, in terms of SEBI Listing Regulations and Companies Act 2013, the Board at its meeting held on August 14, 2020, has adopted revised Anti-Sexual Harassment Policy in supersession to the aforesaid existing policy. All employees (permanent, contractual, temporary, trainees) are covered under the policy. There were no complaints received during the year 2020-21.

**F. ANTI-BRIBERY POLICY:**

The Company being an Indian company is covered under Indian laws and bribery – both private and public - is prohibited under Indian laws specifically under the Prevention of Corruption Act ('PCA') of 1988. Employees of the Company are prohibited from paying or receiving bribes from any private party. There were no complaints received during the year 2020-21.

Apart from the above, the Company has, in its Board Meeting held on August 14, 2020, has also, in addition to above, formulated following policies and code of conducts in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (the "Insider Trading Regulations")

- a) Archival Policy;
- b) Policy on Code of Conduct for Board of Directors and Senior Management Personnel;
- c) Determination of Materiality Policy;
- d) Diversity of Board of Directors Policy;
- e) Policy on Fair Disclosure Code;
- f) Policy on Familiarisation Program;
- g) Policy for determining Material Subsidiaries;
- h) Code Of Conduct To Regulate, Monitor And Report Trading By Its Designated Persons And Their Immediate Relatives
- i) Related Party Transaction Policy;
- j) Policy on Whistle Blower Operating Guidelines;
- k) Policy for the Evaluation of the performance of the Board of Directors;
- l) Policy on Preservation of Documents;
- m) Policy on Succession Planning; and
- n) Operating guidelines for determination of legitimate purpose

**14. FORMAL EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees.

**15. INTERNAL FINANCIAL CONTROLS:**

The Company ensures 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. The Company reviews the financials periodically and takes suitable/corrective measures, if necessary.

**16. AUDITORS:**

**A. APPOINTMENT OF AUDITORS:**

The Company at its 18<sup>th</sup> Annual General Meeting has appointed M/s. MSKA & Associates, Chartered Accountants, Pune, (Firm Registration No. 105047W) (PAN No. AACFK3470E), as the Statutory Auditors of the Company for five consecutive financial years till the conclusion of 23<sup>rd</sup> Annual General Meeting.

**B. REMUNERATION TO AUDITORS:**

In view of the amendment to the said Section 139 through the Companies (Amendment) Act, 2017 notified on 7<sup>th</sup> May 2018, ratification of auditors' appointment is no longer required. However, as required under Section 142 of the Companies Act, 2013, a proposal is put up for approval of members for authorizing the Board of Directors of the Company to fix Auditors' remuneration for the Financial Year 2021-22. The members are requested to approve the same at the ensuing Annual General Meeting.

**C. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION ETC. MADE BY AUDITOR:**

The annexure to the auditor's report refers to delays in payment of undisputed statutory dues in few cases namely Goods and Service Tax, Withholding Tax, Profession Tax, Provident Fund, and Employees State Insurance. The Company has a system in place to account for all statutory dues and deposits them within the time frame prescribed. However, owing to the nature of operations of the Company and the voluminous data to be collated, there were some delays in depositing these dues within the time frame under the respective acts. There are no dues which have not been deposited with the Government Authorities on account of any disputes except Service Tax and Income Tax, which are pending with the Customs Excise Service Tax Appellate Tribunal (CESTAT) and Commissioner of Income Tax (Appeals) respectively. The details of the disputes are given in the Auditors report.

**D. REPORTING OF OFFENCES INVOLVING FRAUD**

The auditors have not reported any offences involving fraud committed against the Company by officers or employees of the Company to the Central Government or the Board or any other authority, as provided in Section 143 (12) of the Companies Act, 2013 read with corresponding rules, circulars, notifications, orders and amendments thereof.

**17. SECRETARIAL AUDITORS:**

**A. APPOINTMENT**

The Board had appointed M/s. Kailas Elkunchwar & Co., Company Secretaries to carry out the Secretarial Audit of the Company for the year 2020-2021 pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Report of the Secretarial Audit is annexed to this report. - **Annexure V.**

**B. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION ETC. MADE BY AUDITOR**

As commented in the Secretarial Audit Report which is self-explanatory.

**18. INTERNAL AUDITORS:**

The erstwhile Internal Auditor M/s PricewaterhouseCoopers Private Limited (CIN: U74140WB1983PTC036093), Chartered Accountants was appointed for a period of 9 months ending on December 31, 2020. In accordance with Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Board has appointed M/s Ernst & Young LLP, as Internal Auditors of the Company for the remaining period of Three months i.e from January 01, 2021 to March 31, 2021 for current financial year ending March 31, 2021.

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

(Refer: Section 134 (3) (i) of the Companies Act, 2013 & Rule 8 (3) of the Companies (Accounts) Rules, 2014

**A. Conservation of Energy:**

(i) The steps taken or impact on conservation of energy:

The Company continues to make endeavors for conservation of energy by taking awareness programs amongst the employees and workers.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

The Company is exploring the possibilities of utilizing alternate sources of energy in the form of solar energy.

(iii) The capital investment on energy conservation equipments:

The Company has not made any capital investments on energy conservation equipments.

**B. Technology Absorption:**

Not applicable to the Company, taking into consideration, the business activities of the Company.

(i) The efforts made towards technology absorption: Not applicable

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Not applicable

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a) The details of technology imported: N.A.

(b) The year of import: N.A.

(c) Whether the technology has been fully absorbed: N.A.

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

(iv) The expenditure incurred on Research and Development: Not applicable

**C. Foreign Exchange Earnings and Outgo:**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is:

Foreign Exchange Inflow: Rs. NIL

Foreign Exchange Outgo: Rs. 47,70,122/-

**20. DECLARATION OF INDEPENDENT DIRECTORS:**

The provisions of Section 149 pertaining to the appointment of Independent Directors have been complied with by the Company.

**21. PARTICULARS RELATING TO EMPLOYEES:**

In accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing name and other details of every employee of the Company, who was in receipt of remuneration exceeding the limits specified in the said rule, is annexed to this report - **Annexure VI**.

**22. PERSONNEL:**

The Directors wish to place on record the deep appreciation for the services rendered by the employees of the Company at all levels and for their continued hard work, dedication and loyalty and in ensuring high level of performance and growth that the Company has achieved during the year.

**23. ACKNOWLEDGEMENT:**

Your Directors are grateful to the Central and State Governments, Statutory Authorities, Local Bodies, Banks, NBFCs and Consultants for their continued support and cooperation. Your Directors warmly acknowledge the trust and confidence reposed in your Company by its dealers, customers and organizations in supporting its business activities and growth. Your Directors also express their gratitude to the other business associates for their unstinting support. Last but not the least, your Directors are thankful to the Members for extending their constant trust and for the confidence shown in the Company.

**For & On Behalf Of the Board  
For BVG India Limited**

**Hanmantrao R. Gaikwad  
Chairman and Managing Director  
DIN: 01597742**

**Umesh G. Mane  
Vice Chairman and Joint Managing Director  
DIN: 01597365**

**Date: June 18, 2021  
Place: Pune**

**ANNEXURE I**

**FORM AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1.

Sl. No.	Particulars	Details
1.	Name of the subsidiary	<b>BVG Kshitij Waste Management Services Private Limited</b>
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2021
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N. A.
4.	Share capital	Rs. 1,00,000/-
5.	Reserves & surplus	Rs. 21,43,817 /-
6.	Total Assets	Rs. 25,09,030/-
7.	Total Liabilities	Rs. 2,65,213/-
8.	Investments	NIL
9.	Turnover	NIL
10.	Profit/(Loss) before taxation	(Rs. 1,11,33,182/-)
11.	Provision for taxation	Rs. 10,891/-
12.	Profit/(Loss) after taxation	(Rs. 1,11,44,073/-)
13.	Proposed Dividend	NIL
14.	% of shareholding	74%

2.

S. No.	Particulars	Details
1.	Name of the subsidiary	<b>Out of Home Media (India) Private Limited</b>
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2021
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4.	Share capital	Rs. 36,59,91,620/-
5.	Reserves & surplus	Rs. (36,63,22,510)
6.	Total Assets	Rs. 1,27,410/-
7.	Total Liabilities	Rs. 4,58,300/-
8.	Investments	NIL
9.	Turnover	NIL
10.	Profit/(Loss) before taxation	Rs. (26,720)/-
11.	Provision for taxation	NIL
12.	Profit/(Loss) after taxation	Rs. (26,720)/-
13.	Proposed Dividend	NIL
14.	% of shareholding	99.99%

3.

S. No.	Particulars	Details
1.	Name of the subsidiary	<b>BVG Skill Academy</b>
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2021
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4.	Share capital	Rs. 5,00,000/-
5.	Reserves & surplus	Rs. 27,13,320/-
6.	Total assets	Rs. 2,04,34,700/-
7.	Total Liabilities	Rs. 1,72,21,380/-
8.	Investments	NIL
9.	Turnover	Rs. 6,53,73,450/-
10.	Profit before taxation	Rs. 21,86,910/-
11.	Provision for taxation	Rs. 6,48,900/-
12.	Profit after taxation	Rs. 15,38,010/-
13.	Proposed Dividend	NIL
14.	% of shareholding	51%

1. Names of subsidiaries which are yet to commence operations:

**BVG UKSAS (SPV) Private Limited**

2. Names of subsidiaries which have been liquidated or sold during the year: - N.A.

**Part "B": Associates and Joint Ventures**

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

1.

Sr. No.	Particulars	Details
1.	Name of associates/Joint Ventures	<b>BVG Krystal Joint Venture</b>
2.	Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2021
3.	No. of Shares of Associate/Joint Ventures held by the company on the year end	N.A.
4.	Amount of Investment in Associates/Joint Venture	-
5.	Extent of Holding%	51% (PSR)
6.	Description of how there is significant influence	BVG India Limited has 51% voting power and 51% share of profit
7.	Reason why the associate/joint venture is not consolidated	It has been consolidated
8.	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. (1,54,606/-)
9.	Profit/Loss for the year (After Tax)	Rs. (5,900/-)
10.	Considered in Consolidation	Yes
11.	Not Considered in Consolidation	N.A.

2.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name of Associates/Joint Ventures	<b>BVG-UKSAS -EMS Private Limited</b>
2.	Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2021
3.	No. of Shares of Associate/Joint Ventures held by the Company on the year end	4,900 Equity Shares of Rs. 10/- Only
4.	Amount of Investment in Associates/Joint Venture	49,000/-
5.	Extent of Holding%	49%
6.	Description of how there is significant influence	Section 2(6) of The Companies Act, 2013
7.	Reason why the associate/joint venture is not consolidated	It has been consolidated
8.	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. NIL
9.	Profit/(Loss) for the year (After Tax)	Rs. (10,86,300)/-
10.	Considered in Consolidation	Yes
11.	Not Considered in Consolidation	N.A.

1. Names of associates or joint ventures which are yet to commence operations: **N.A.**
2. Names of associates or joint ventures which have been liquidated or sold during the year: **N.A.**

**For and on behalf of the Board of Directors of  
BVG India Limited**

**Hanmantrao R. Gaikwad**  
Chairman and Managing Director  
DIN: 01597742

**Umesh G. Mane**  
Vice Chairman and Joint Managing Director  
DIN: 01597365

**Manoj Jain**  
Chief Financial Officer

**Rajni Pamnani**  
Company Secretary

**Date: June 18, 2021**  
**Place: Pune**

**ANNEXURE - II**

**FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31st March, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	U74999PN2002PLC016834
ii.	Registration Date	20/03/2002
iii.	Name of the Company	BVG India Limited
iv.	Category/ Sub Category of the Company	Public Limited Company Limited By Shares
v.	Address of the Registered Office and Contact Details	'BVG House', Premier Plaza, Pune- Mumbai Road, Chinchwad, Pune- 411019 Email : cs@bvgindia.Com Telephone: 020 - 35090000 Fax: N.A. Website: <a href="http://www.bvgindia.com">www.bvgindia.com</a>
vi.	Whether Listed Company (Yes / No)	No
vii.	Name, address and Contact Details of Registrar and Transfer Agent, if any	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10 % or more of the total turnover of the Company: -

Sr. No.	Name and Description of main products / services	NIC Code of the product/service	% of Total turnover of the Company
1	Facility Services (Other business support service activities n.e.c)	82990	97.64%
<b>Total</b>			<b>97.64%</b>

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	<b>BVG Kshitij Waste Management Services Private Limited</b> BVG House, Premier Plaza, Pune-Mumbai Road, Chinchwad, Pune - 411019	U90009PN2011PTC14 1572	Subsidiary	74.00%	S. 2(87)
2	<b>Out-of-Home Media (India) Private Limited</b> Unit No. 2, Corporate Park II, Ground Floor, Mezzanine Floor, Sion-Trombay Road, Chembur, Mumbai City MH 400071 IN	U74300MH2006PTC16 3636	Subsidiary	99.99%	S. 2(87)
3	<b>BVG Skill Academy</b> Sr. No. 438, Sagar Complex, Bldg. No.1, Ground Floor, Commercial Apt No. 3, Near Nashik Fata, Pune - 411034	U74900PN2015NPL15 7482	Subsidiary	51.00%	S. 2(87)
4	<b>BVG-UKSAS EMS Private Limited</b> 438, CTS NO. 2653, Sagar Complex, Building No. 1, 2nd Floor, Near Nashik Fata, Off Kasarwadi Station Pune - 411034	U85100PN2016PTC15 8982	Associate	49.00%	S. 2(6)
5	<b>BVG-UKSAS (SPV) Private Limited*</b> Sagar Complex, Kasarwadi, Pune, MH 411007 IN	U85300PN2019PTC18 7306	Subsidiary	74.00%	S. 2(6)

\*The Company has not received share capital and not commenced its business as on end of financial year.

**IV. SHAREHOLDING PATTERN**

(Equity Share Capital Break-up as percentage of Total Equity)

**i) Category-wise Share Holding**

Category of Shareholder	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% change During the year
	De-mat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
<b>(1) Indian</b>									
Individual / HUF	9999937	5424067	15424004	59.99	15293004	0	15293004	59.48	0.51%
Central Government	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
State Government	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Bodies Corporate	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Banks / FI's	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Any Other	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Sub-Total (A) (1)</b>	<b>9999937</b>	<b>5424067</b>	<b>15424004</b>	<b>59.99</b>	<b>15293004</b>	<b>0</b>	<b>15293004</b>	<b>59.48</b>	<b>0.51%</b>
<b>(2) Foreign</b>									
NRI's - Individuals	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Others -Individuals	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Bodies Corporate	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Banks / FI's	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Any Other	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Sub-Total (A)(2)</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>Total Shareholding Of Promoters (A) = (A)(1) + (A) (2)</b>	<b>9999937</b>	<b>5424067</b>	<b>15424004</b>	<b>59.99</b>	<b>15293004</b>	<b>0</b>	<b>15293004</b>	<b>59.48</b>	<b>0.51%</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
Mutual Funds	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Banks / FI's	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Central Government	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
State Governments	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Venture Capital Funds	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Insurance Companies	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
FII's	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Foreign Venture Capital Funds	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Others (Specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Sub-Total (B) (1)</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>2. Non Institutions</b>									
Bodies Corporate - Indian	448819	0	448819	1.75	450245	0	450245	1.75	0.00%
Bodies Corporate-Overseas	6916030	11	6916041	26.90	6916030	11	6916041	26.90	0.00%
<b>Individuals</b>									
Individual Shareholders holding nominal share capital up to Rs. 1 Lakh	45466	2783	48249	0.19	70040	2783	72823	0.28	0.09%
Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	2633725	239550	2873275	11.17	2820275	158000	2978275	11.59	0.42%
Others (Specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Sub-Total (B) (2)</b>	<b>10044040</b>	<b>242344</b>	<b>10286384</b>	<b>40.01</b>	<b>10256590</b>	<b>160794</b>	<b>10417384</b>	<b>40.52</b>	<b>0.51%</b>
<b>Total Public Shareholding (B) = (B)(1) + (B) (2)</b>	<b>10044040</b>	<b>242344</b>	<b>10286384</b>	<b>40.01</b>	<b>10256590</b>	<b>160794</b>	<b>10417384</b>	<b>40.52</b>	<b>0.51%</b>
C. Shares Held By Custodian For GDR's and ADR's	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Grand Total (A+B+C)</b>	<b>20043977</b>	<b>5666411</b>	<b>25710388</b>	<b>100.00</b>	<b>25549594</b>	<b>160794</b>	<b>25710388</b>	<b>100.00</b>	<b>0%</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the 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	Hanmantrao R. Gaikwad	13474912	52.41%	N.A.	13343912	51.90%	N.A.	0.51%
2	Umesh G. Mane	1949092	7.58%	N.A.	1949092	7.58%	N.A.	0%
<b>TOTAL</b>		<b>15424004</b>	<b>59.99%</b>	<b>N.A.</b>	<b>15293004</b>	<b>59.48%</b>	<b>N.A.</b>	<b>0.51%</b>

**(iii) Change in Promoters' Shareholding (Please Specify, if there is no change)**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Hanmantrao Gaikwad</b>					
1	At the beginning of the year	13474912	52.41%	13474912	52.41%
2	Decrease in Promoters Shareholding during the year due to transfer of Shares on August 28, 2020.	131000	0.51%	131000	0.51%
3	At the end of the year	13343912	51.90%	13343912	51.90%

**(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDR's and ADR's)**

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		Date wise increase/decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	Cumulative shareholding during the year		At the end of the year	
		No of shares	% of total shares of the Company		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Strategic Investments FM (Mauritius) Alpha Limited	5628249	21.89%	NIL	5628249	21.89%	5628249	21.89%
2	Strategic Investments FM (Mauritius) B Limited	1287781	5.01%	NIL	1287781	5.01%	1287781	5.01%
3	Vaishali H. Gaikwad	768603	2.99%	NIL	768603	2.99%	768603	2.99%
4	Vikas V. Nipane	596180	2.32%	NIL	596180	2.32%	596180	2.32%
5	Dattatraya R. Gaikwad	369952	1.44%	NIL	369952	1.44%	369952	1.44%
6	Aarya Agro-Bio and Herbs Private Limited	254500	0.99%	NIL	254500	0.99%	254500	0.99%
7	Mohini Mane	200000	0.78%	NIL	200000	0.78%	200000	0.78%
8	Suyash Outsourcing Private Limited	188145	0.73%	NIL	188145	0.73%	188145	0.73%
9	Deepak Maruti Shinde	150000	0.58%	NIL	150000	0.58%	150000	0.58%
10	Alagappan Murugappan	137830	0.54%	NIL	137830	0.54%	137830	0.54%

## (v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of the Director/ Key Managing Personnel	Shareholding at the beginning of the year		Date wise increase/decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / Sweat equity etc.)	Cumulative shareholding during the year		At the end of the year	
		No of shares	% of total shares of the Company		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Hanmantrao R. Gaikwad	1,34,74,912	52.41%	28-Aug-2020 By way of Transfer	1,33,43,912	51.90%	1,33,43,912	51.90%
2	Umesh G. Mane	19,49,092	7.58%	NIL	19,49,092	7.58%	19,49,092	7.58%
3	Pankaj Dhingra				NIL			
4	Jayant G. Pendse				NIL			
5	Swapnali D. Gaikwad				NIL			
6	Chandrakant N. Dalvi				NIL			
7	Prabhakar D. Karandikar				NIL			
8	Rajendra R. Nimbhorkar				NIL			
9	Manoj Jain				NIL			
10	Rajni R. Pamnani				NIL			

## V. INDEBTEDNESS:

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	6,047,369,914	39,859,577	-	6,087,229,491
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,49,56,553	-	-	2,49,56,553
<b>TOTAL (i + ii + iii)</b>	<b>6,072,326,467</b>	<b>39,859,577</b>	-	<b>6,112,186,045</b>
Change in Indebtedness during the Financial Year	(766,741,909)	(18,769,680)	-	(747,972,230)
<b>Indebtedness at the end of the Financial Year</b>				
i) Principal Amount	5,279,964,558	58,629,257	-	5,338,593,815
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	25,620,000	-	-	25,620,000
<b>TOTAL (i + ii + iii)</b>	<b>5,305,584,558</b>	<b>58,629,257</b>	-	<b>5,364,213,815</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole Time Director and / or Manager:				
Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Hanmantrao Gaikwad	Umesh Mane	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	76,07,340	1,81,03,640	2,57,10,980
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of Salary under Section 17 (3) of the Income Tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
s4.	Commission			
	- as % of Profit	0	0	0
	- Others, specify	0	0	0
5.	Others, please specify	0	0	0
	TOTAL (A)	76,07,340	1,81,03,640	2,57,10,980
	Ceiling as per the Act			
B. Remuneration to other Directors				
Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager / Director		Total Amount
1.	Independent Directors	Jayant Pendse	Chandrakant Dalvi	
	* Fees for attending Board & Committee Meetings	85,000	80,000.00	1,65,000.00
	* Commission	0.00	0.00	0.00
	* Others, specify	0.00	0.00	0.00
	TOTAL (1)	85,000	80,000.00	1,65,000.00
2.	Independent Directors	Prabhakar Karandikar	Rajendra Nimbhorkar	
	* Fees for attending Board & Committee Meetings	65,000.00	55,000.00	1,20,000.00
	* Commission	0.00	0.00	0.00
	* Others, specify	0.00	0.00	0.00
TOTAL (2)	65,000.00	55,000.00	1,20,000.00	
3.	Other Non-Executive Directors	Swapnali Gaikwad	Pankaj Dhingra	
	* Fees for attending Board & Committee Meetings	0.00	0.00	0.00
	* Commission	0.00	0.00	0.00
	* Others (Remuneration)	23,42,340.00	0.00	23,42,340.00
TOTAL (3)	23,42,340.00	0.00	23,42,340.00	
TOTAL (B) = (1) + (2) + (3)				26,27,340.00
TOTAL MANAGERIAL REMUNERATION (A)+(B)				2,83,38,320.00
OVERALL CEILING AS PER THE ACT				13,31,35,191.00

**C. Remuneration to key managerial personnel other than MD/MANAGER/WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			TOTAL
		Company Secretary	CFO		
		Rajni Pamnani	Niraj Kedia	Manoj Jain	
1.	Gross Salary				
	(a) Salary as per provisions contained in Sec. 17 (1) of the Income Tax Act, 1961	26,39,692	22,28,746	49,07,704	97,76,142
	(b) Value of perquisites under Sec. 17 (2) of the Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of Salary under Sec. 17 (3) of the Income Tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission : - as % of Profit	0	0	0	0
	- Others, specify	0	0	0	0
5.	Others, please specify	0	0	0	0
	<b>TOTAL</b>	<b>26,39,692</b>	<b>22,28,746</b>	<b>49,07,704</b>	<b>97,76,142</b>

**VII. PENALTIES / PUNISHMENTS / COMPOUNDING OF OFFENCES:**

During the financial year, there is any no instance occurred penalty/ punishment/ compounding of offence under the Companies Act, 2013 against the Company or any Director, Key Managerial Person and other officers in default of the Company.

**For & On Behalf Of the Board  
For BVG India Limited**

**Hanmantrao R. Gaikwad  
Chairman and Managing Director  
DIN: 01597742**

**Umesh G. Mane  
Vice Chairman and Joint Managing Director  
DIN: 01597365**

**Place: Pune  
Date: June 18, 2021**

**ANNEXURE III**

**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 arm's length transactions under third proviso thereto**

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

**Transaction 1:**

(a) Name(s) of the related party and nature of relationship	-
(b) Nature of contracts/arrangements/transactions	-
(c) Duration of the contracts / arrangements/transactions	-
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	-
(e) Justification for entering into such contracts or arrangements or transactions	-
(f) date(s) of approval by the Board	-
(g) Amount paid as advances, if any:	-
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-

**2. Details of material contracts or arrangement or transactions at arm's length basis: (Rs. In Million)**

(a) Name(s) of the related party and nature of relationship	<b>Mrs. Vaishali Gaikwad</b>	<b>Mr. Dattatraya Gaikwad</b>	<b>Mrs. Mohini Mane</b>
(b) Nature of contracts/arrangements/transactions	Compensation	Compensation	Compensation
(c) Duration of the contracts / arrangements/transactions	Ongoing	Ongoing	Ongoing
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	6.64	3.73	0.29
(e) Date(s) of approval by the Board	01-Apr-2019	01-Apr-2019	01-Apr-2019
(f) Amount paid/received as advances, if any	-	-	-

(a) Name(s) of the related party and nature of relationship	<b>Bharat Vikas Pratishtan</b>	<b>BVG Kshitij Waste Management Services Private Limited</b>	<b>BVG Life Sciences Limited</b>		<b>BVG Clean Energy Limited</b>
(b) Nature of contracts/arrangements/transactions	Sale of Services	Sale of Services	Sale of Services	Purchase of goods and services	Sale of Services
(c) Duration of the contracts / arrangements/transactions	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	0.09	11.22	3.87	5.37	9.01
(e) Date(s) of approval by the Board	NA	NA	NA	NA	NA
(f) Amount paid/received as advances, if any	-	-	-	-	-

a) Name(s) of the related party and nature of relationship	<b>BVG Health Food Private Limited</b>	<b>BVG Skill Academy</b>	<b>Satara Mega Food Park Private Limited</b>		<b>BVG Agrotech Private Limited</b>
b) Nature of contracts/arrangements /transactions	Purchase of goods and services	Purchase of goods and services	Sale of Services	Purchase of goods and services	Sale of Services
c) Duration of the contracts / arrangements/transactions	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
d) Salient terms of the contracts or arrangements or transactions including the value, if any	0.06	6.26	1.23	0.01	0.72
e) Date(s) of approval by the Board	NA	NA	NA	NA	NA
f) Amount paid/received as advances, if any	-	-	-	-	-

**ANNEXURE IV**

**Report on Corporate Social Responsibility (CSR)**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details about CSR</b>														
1	Brief outline of the Company's CSR Policy	<p>a) The Business of Company is spread all over India and has profound impact on the people living in and around the areas where the Company and its offices are established.</p> <p>b) While we strive to undertake all or any suitable activity as specified in Schedule VII to the Act, currently, we focus to support and implement the following activities as our thrust areas:</p> <p>i. Education</p> <p>ii. Health care by providing medical facilities and medicines</p> <p>iii. Environment</p> <p>iv. Social Empowerment</p> <p>v. Infrastructure Support</p> <p>c) The investment in CSR will be project based and for every project time framed periodic mile stones shall be finalized at the outset.</p> <p>d) Project activities identified under CSR are to be implemented by Specialized Agencies and generally NOT by staff of the organization. Specialized Agencies could be made to work singly or in tandem with other agencies.</p>														
2	Overview of projects or programs undertaken/ proposed to be undertaken	-														
3	Reference to the web-link to the CSR policy and projects or programs:	<a href="http://www.bvgindia.com">www.bvgindia.com</a>														
4	Composition of the CSR Committee	<p>Members of the Committee:</p> <p>1. Hanmantrao R. Gaikwad, Chairman and Managing Director</p> <p>2. Mr. Umesh G. Mane, Vice Chairman &amp; Joint Managing Director</p> <p>3. Mr. Jayant G. Pendse, Independent Director</p>														
5	Average net profit of the company for last three financial years	<table border="1"> <thead> <tr> <th colspan="2"><b>Net profit before tax (INR)</b></th> </tr> <tr> <th><b>Particulars</b></th> <th><b>Amount (Rs in million)</b></th> </tr> </thead> <tbody> <tr> <td>2017-18</td> <td align="right">2,046.08</td> </tr> <tr> <td>2018-19</td> <td align="right">613.18</td> </tr> <tr> <td>2019-20</td> <td align="right">1,288.46</td> </tr> <tr> <td>Total NPBT</td> <td align="right">3,947.72</td> </tr> <tr> <td>Average NPBT</td> <td align="right">1315.91</td> </tr> </tbody> </table>	<b>Net profit before tax (INR)</b>		<b>Particulars</b>	<b>Amount (Rs in million)</b>	2017-18	2,046.08	2018-19	613.18	2019-20	1,288.46	Total NPBT	3,947.72	Average NPBT	1315.91
<b>Net profit before tax (INR)</b>																
<b>Particulars</b>	<b>Amount (Rs in million)</b>															
2017-18	2,046.08															
2018-19	613.18															
2019-20	1,288.46															
Total NPBT	3,947.72															
Average NPBT	1315.91															
6	Prescribed CSR Expenditure	Rs. 26.32 Million														
7	Details of CSR spent during the financial year	During the year, the Company has not spent any amount towards Corporate Social Responsibility (CSR) in any of the activities specified in Schedule VII.														
	a. Total amount spent in FY 2020-21 in million	NIL														
	b. Amount unspent, if any	Rs. 26.32 Million														

c. Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs	Amount outlay (budget) project or programs wise (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount spent on the projects or programs 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	-	-	-	-	-	-	-

8	Reasons for not spending the amount of two per cent of the average net profit of the last three financial years	As per provisions of Section 135 of Companies Act, 2013 the Company was required to spend Rs. 26.32 Million being 2% of average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy on the activities specified in Schedule VII of the Act. The Company has not spent any towards Corporate Social Responsibility activities during the year. The Company was unable to identify suitable options specified in the Schedule VII for the unspent amount.
9	Statement by CSR Committee	The main objective of CSR policy is to lay down guidelines for the Companies to make CSR a key business process for sustainable development for the Society. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities. Company will act as a good Corporate Citizen, subscribing to the principles of Global Compact for implementation.

## ANNEXURE V

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED: 31<sup>ST</sup> MARCH, 2021**  
[Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

To  
The Members,  
**BVG INDIA LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BVG INDIA LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of BVG INDIA LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>ST</sup> MARCH, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by BVG INDIA LIMITED ("the Company") for the financial year ended on 31<sup>ST</sup> MARCH, 2021, 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; - NOT APPLICABLE
- (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.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - NOT APPLICABLE
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - NOT APPLICABLE
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - NOT APPLICABLE
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - NOT APPLICABLE
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - NOT APPLICABLE
  - (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; - NOT APPLICABLE

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - NOT APPLICABLE and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - NOT APPLICABLE
- (v) The compliances by the Company of applicable Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial auditor and other designated professionals. We have also not reviewed the compliances under labour and other generally applicable laws.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with ..... Stock Exchange(s), if applicable; NOT APPLICABLE

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *subject to the observations specified in annexure to this report.*

We further report that -

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

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

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

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, *subject to the observations specified in annexure to this report.*

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

This report to be read with the annexure I and annexure II since the same forms an integral part of this report.

For Kailas Elkunchwar & Co  
Company Secretaries

Sd/-

CS ASHISH JAYANT KULKARNI  
FCS: 7726 / CP No: 8459  
UDIN: F007726C000562786

Place: Pune  
Date: 18<sup>th</sup> June 2021

**Annexure - I**

**SECRETARIAL AUDIT REPORT - OBSERVATIONS**

**(FY 2020-2021)**

To  
The Members,  
BVG INDIA LIMITED

Following observations / reservations in respect of compliances with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.; constitution of board of directors with proper balance of Executive Directors, Non-Executive Directors and Independent Directors; 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 mentioned in the report have been noticed based on the secretarial audit conducted by us -

Please note that the observations / reservations mentioned in the report given by the statutory auditors are not repeated and the report of auditors shall be referred for the same.

- It could not be verified if the draft minutes of the board meetings were sent to board members for their comments. However, the management represented that the draft minutes were circulated to all board members immediately after conclusion of the meeting and all present directors have confirmed the respective meetings minutes.
- The dividend on preference shares amounting to Rs. 1,484/- only was not paid within the period of 30 days from the date of declaration. However, the same has been paid before the close of the financial year.
- The company has not spent requisite amount on account of Corporate Social Responsibility (CSR) activities during the financial year. The board shall specify the reasons for the same in its report the said financial year and make necessary arrangements to transfer the unspent amount to separate bank account within the period of 6 months from the close of the financial year, if the unspent amount does not relate to ongoing projects.
- The 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 could not be verified, especially in respect of compliances under the state / local laws, taking into consideration the operations of the company at multiple locations.

For Kailas Elkunchwar & Co  
Company Secretaries

Sd/-

CS ASHISH JAYANT KULKARNI  
FCS: 7726 / CP No: 8459  
UDIN: F007726C000562786

Place: Pune  
Date: 18<sup>th</sup> June 2021

## Annexure - II

To  
The Members  
BVG INDIA LIMITED

- Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
- We have followed the audit practices and process as were 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.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 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.

For Kailas Elkunchwar & Co  
Company Secretaries

Sd/-

CS ASHISH JAYANT KULKARNI  
FCS: 7726 / CP No: 8459  
UDIN: F007726C000562786

Place: Pune  
Date: 18<sup>th</sup> June 2021

**ANNEXURE VI**

**Disclosure As per Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

<b>Sr. No.</b>	<b>Particulars</b>									
<b>1.</b>	<b>Name:</b>	<b>Mr. Umesh G. Mane</b>								
<b>2.</b>	<b>Designation:</b>	<b>Vice Chairman and Joint Managing Director</b>								
<b>3.</b>	<b>Remuneration Received:</b>	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount (INR)</th> </tr> </thead> <tbody> <tr> <td>Gross Salary</td> <td>1,80,32,000.00</td> </tr> <tr> <td>Total Deduction as to tax</td> <td>60,78,670.00</td> </tr> <tr> <td><b>Net Salary Received</b></td> <td><b>1,19,53,330.00</b></td> </tr> </tbody> </table>	Particulars	Amount (INR)	Gross Salary	1,80,32,000.00	Total Deduction as to tax	60,78,670.00	<b>Net Salary Received</b>	<b>1,19,53,330.00</b>
Particulars	Amount (INR)									
Gross Salary	1,80,32,000.00									
Total Deduction as to tax	60,78,670.00									
<b>Net Salary Received</b>	<b>1,19,53,330.00</b>									
<b>4.</b>	<b>Nature of Employment:</b>	Whole Time Director								
<b>5.</b>	<b>Qualification:</b>	M.Com.								
<b>6.</b>	<b>Experience:</b>	Intensive understanding of client needs and quest for modern technologies and handling of entire operations and execution division with utmost perfection								
<b>7.</b>	<b>Commencement date of Employment:</b>	Since Incorporation (20/03/2002)								
<b>8.</b>	<b>Age:</b>	50 Years								
<b>9.</b>	<b>Last Employment:</b>	In Banking Sector								
<b>10.</b>	<b>Shareholding:</b>	7.58%								
<b>11.</b>	<b>Whether such employee is a relative of any Director or manager of the Company and if so, name of such director or manager:</b>	N.A.								

For & On Behalf Of the Board  
For BVG India Limited

Hanmantrao R. Gaikwad  
Chairman and Managing Director  
DIN: 01597742

Umesh G. Mane  
Vice Chairman and Joint Managing Director  
DIN: 01597365

Place: Pune  
Date: June 18, 2021

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of BVG India Limited

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the standalone financial statements of BVG India Limited (“the Company”), which comprise the Balance sheet as at March 31, 2021, and the Statement of Profit and Loss, Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profits, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Emphasis of Matter**

We draw attention to Note 48 to the standalone financial statements which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

Our opinion is not modified in respect of this matter.

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the standalone financial statements and our auditor's report thereon.

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

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

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

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

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in “Annexure A” a detailed description of Auditor’s responsibilities for Audit of the Standalone Financial Statements.

#### **Other Matter**

- (a) We did not audit the financial information of one jointly controlled entity included in the standalone financial statements of the Company whose financial information (representing the share of the Company) reflect total assets of Rs. 54.21 million as at March 31, 2021 and the total revenue of Rs. Nil for the year ended on that date, as considered in the standalone financial statements. The financial information of this joint operations is unaudited and has been furnished to us by the Management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of joint operations, and our report in terms of sub section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint operations, is based solely on such unaudited financial information.
- (b) Due to the restrictions and lock down laid by the government of India due to the COVID-19 pandemic, it was impracticable for us to attend the physical inventory verification of inventory by the management as at the year end. Consequently, we have performed related alternative audit procedures such as performing inventory count through video conference, etc. and have obtained sufficient, appropriate audit evidence over the existence of inventory (aggregating to Rs. 133.98 million) as on March 31, 2021.

Our opinion is not modified in respect of the above matters.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended.
  - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.
  - (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

**For MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

Nitin Manohar Juman  
Partner  
Membership No. 111700  
UDIN: 2111700AAAACW1012

Place: Pune  
Date: June 18, 2021

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BVG INDIA LIMITED**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 ('the Act'), we are also responsible for expressing our opinion on whether BVG India Limited ('the Company') has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**For MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

Nitin Manohar Jumani

Partner

Membership No. 111700

UDIN: 21111700AAAACW1012

Place: Pune

Date: June 18, 2021

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BVG INDIA LIMITED FOR THE YEAR ENDED MARCH 31, 2021**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
- (b) All the fixed assets (Property, Plant and Equipment) have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, are held in the name of the Company, except in case of the following land, which is not held in the name of the Company:

No. of cases	Leasehold / Freehold	Gross block as at March 31, 2021	Net block as at March 31, 2021	Remarks
1	Freehold land	INR 149.94 million	INR 149.94 million	Currently, the same is disclosed as 'Assets classified as held for sale'

- (ii) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.
- (iii) The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act and the Company has complied with the provisions of Section 186 of the Act, in respect of investments made during the year.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

(vi) The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products or services of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other statutory dues applicable to it except instances where there have been delays in remitting provident fund, employees' state insurance, goods and service tax, profession tax and withholding taxes are ranging from 1 to 347 days, 1 to 239 days, 1 to 177 days, 1 to 79 days and 12 to 61 days respectively.

The delays in provident fund and employees' state insurance are primarily due to non-generation of Universal Account Number ('UAN') and delays in employee registration formalities through online portal.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

However, there are dues outstanding for a period of more than six months from the date they became payable as at March 31, 2021 in respect of provident fund and employees' state insurance. In the opinion of the management, in most cases, the same are outstanding on account of payment of arrears or on account of non-generation of UAN and delay in employee registration formalities. In view of the voluminous data, the same has not been disclosed separately.

(c) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax, customs duty, cess and any other statutory dues on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount demanded (in Rs. Millions)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Finance Act, 1994	Service tax	1,557.46	April 2011 to March 2016	Customs Excise Service Tax Appellate Tribunal	The Company has paid Rs. 17.78 million under protest. Also refer note (a) below
Finance Act, 1994	Service tax	484.47	April 2015 to June 2017	Commissioner of Central Excise and GST	The amount excludes interest and penalty. Also refer note (b) below

Name of the statute	Nature of dues	Amount demanded (in Rs. Millions)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Income-tax Act, 1961	Income-tax	31.12	2013-14	Commissioner of Income-tax (Appeals)	The Company has paid Rs. 6.23 million as deposit against the said demand
Maharashtra VAT Act, 2012	Value-added taxes	67.20	2015-16	Joint Commissioner of State Tax	The Company has paid Rs. 4.42 million as deposit against the said demand

Notes:

- (a) Subsequent to the year end, the Company has received a favourable order from Principal Commissioner setting aside demand amounting to Rs. 81,045 million. However, the order giving effect is awaited.
- (b) Subsequent to the year end, the Company has received a favourable order from Principal Commissioner setting aside demand amounting to Rs. 209,668 million. However, the order giving effect is awaited.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution or bank. The Company does not have any outstanding dues to government or debenture holders during the year.
- (ix) In our opinion, according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

**For MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

Nitin Manohar Jumani  
Partner  
Membership No. 111700  
UDIN: 21111700AAAACW1012

Place: Pune  
Date: June 18, 2021

**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BVG India Limited**

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent 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 with reference to standalone financial statements of BVG India Limited ('the Company') as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements 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') ('the Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

## **Meaning of Internal Financial Controls With Reference to Standalone Financial Statements**

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone<sup>1</sup> financial statements.

## **Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

## **For MSKA & Associates**

Chartered Accountants  
ICAI Firm Registration No. 105047W

Nitin Manohar Jumani  
Partner  
Membership No. 111700  
UDIN: 21111700AAAACW1012

Place: Pune  
Date: June 18, 2021

**BVG India Limited**  
**Standalone Balance Sheet**  
**as at 31 March 2021**

*(All amounts are in Indian Rupees million)*

	Notes	31 March 2021	31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A	1,579.92	1,707.75
Capital work-in-progress	3A	2.20	-
Right-of-use asset	3B	88.62	105.98
Investment property	4	71.96	72.80
Other intangible assets	5	23.30	46.06
Financial assets			
Investments	6	31.80	1.44
Loans	7	61.33	45.58
Other financial assets	8	548.08	769.13
Other tax assets (net)		237.44	88.21
Deferred Tax assets (net)	32	640.17	356.13
Other non-current assets	9	360.64	491.23
<b>Total non-current assets</b>		<b>3,645.46</b>	<b>3,684.31</b>
<b>Current assets</b>			
Inventories	10	1,694.23	1,600.20
Financial assets			
Trade receivables	11	8,868.13	8,737.16
Cash and cash equivalents	12	592.02	783.13
Other bank balances	13	582.23	527.62
Loans	7	126.50	192.01
Other financial assets	8	2,843.67	2,574.65
Contract assets	14	-	74.57
Other current assets	9	607.11	613.16
Assets classified as held for sale	15	149.94	137.40
<b>Total current assets</b>		<b>15,463.83</b>	<b>15,239.90</b>
<b>TOTAL ASSETS</b>		<b>19,109.29</b>	<b>18,924.21</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	257.10	257.10
Instruments entirely equity in nature	16	148.35	148.35
Other equity	17	7,398.42	6,532.48
<b>Total equity</b>		<b>7,803.87</b>	<b>6,937.93</b>

**BVG India Limited**  
**Standalone Balance Sheet (continued)**  
**as at 31 March 2021**

(All amounts are in Indian Rupees million)

	Notes	31 March 2021	31 March 2020
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	18	504.73	693.54
Lease liability	19	86.29	99.79
Provisions	20	497.30	352.72
<b>Total non-current liabilities</b>		<b>1,088.32</b>	<b>1,146.05</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	18	4,584.42	5,098.46
Lease liability	19	16.61	16.33
Trade payables			
(a) Dues of micro and small enterprises	21	0.54	0.81
(b) Dues of other than micro and small enterprises	21	1,216.09	1,309.13
Other financial liabilities	22	1,818.65	1,787.58
Contract liabilities	23	1,507.37	1,564.28
Other current liabilities	24	696.56	806.48
Provisions	20	75.57	66.90
Current tax liabilities (net)		213.80	147.26
Liabilities directly associated with assets held for sale	25	87.49	43.00
<b>Total current liabilities</b>		<b>10,217.10</b>	<b>10,840.23</b>
<b>Total liabilities</b>		<b>11,305.42</b>	<b>11,986.28</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>19,109.29</b>	<b>18,924.21</b>

Summary of significant accounting policies 2  
Notes to the financial statements 3-50  
The notes referred above form an integral part of the financial statements

As per our report of even date attached

**For MSKA & Associates**  
**Chartered Accountants**  
**Firm Registration Number: 105047W**

**For and on behalf of the Board of Directors of**  
**BVG India Limited**  
**CIN: U74999PN2002PLC016834**

**Nitin Manohar Jumani**  
Partner  
Membership No.: 111700

**Hanmantrao Gaikwad**  
Chairman &  
Managing Director  
DIN: 01597742

**Umesh Mane**  
Vice Chairman &  
Jt. Managing Director  
DIN: 01597365

**Manoj Jain**  
Chief Financial Officer

**Rajni Pamnani**  
Company Secretary  
Mem. No.: F-11018

Pune, June 18, 2021

Pune, June 18, 2021

**BVG India Limited**  
**Standalone Statement of Profit and Loss**  
**for the Year ended 31 March 2021**

(All amounts are in Indian Rupees million)

	Notes	31 March 2021	31 March 2020
<b>Continuing operations</b>			
<b>Income</b>			
Revenue from contracts with customers	26	16,629.34	19,234.80
Other income	27	65.92	100.49
<b>Total income</b>		<b>16,695.26</b>	<b>19,335.29</b>
<b>Expenses</b>			
Cost of materials consumed	28	1,167.30	1,901.01
Employee benefits expense	29	10,557.83	11,504.31
Finance costs	30	861.87	910.57
Depreciation and amortisation expense	3A,3B,4,5	246.67	220.24
Other expenses	31	2,643.60	3,405.68
<b>Total expenses</b>		<b>15,477.27</b>	<b>17,941.81</b>
<b>Profit before tax from continuing operations</b>		<b>1,217.99</b>	<b>1,393.48</b>
<b>Tax expenses</b>			
Current tax	32	(408.45)	(337.39)
Tax relating to earlier periods (including MAT credit availment of 36.49 million)		39.30	-
Deferred tax [including MAT credit of 171.91 million (PY 109.58 million)]		273.86	121.23
<b>Profit from continuing operations</b>		<b>1,122.70</b>	<b>1,177.32</b>
<b>Discontinued operations</b>			
(Loss) from discontinued operations before tax	43	(308.78)	(105.02)
Tax benefit of discontinued operations	32, 42	96.10	111.71
<b>Profit/ (loss) from discontinued operations</b>		<b>(212.68)</b>	<b>6.69</b>
<b>Profit for the year</b>		<b>910.02</b>	<b>1,184.01</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Statement of Profit and Loss			
Re-measurement of defined benefit plan	40	(67.75)	(50.99)
Income tax effect relating to above item	32	23.67	17.83
<b>Other comprehensive income for the year (net of tax)</b>		<b>(44.08)</b>	<b>(33.16)</b>
<b>Total comprehensive income for the year</b>		<b>865.94</b>	<b>1,150.85</b>

**BVG India Limited**  
**Standalone Statement of Profit and Loss (continued)**  
**for the Year ended 31 March 2021**  
*(All amounts are in Indian Rupees million)*

	Notes	31 March 2021	31 March 2020
<b>Earnings per equity share for profit from continuing operations</b>	33		
Basic (INR)		<b>43.24</b>	45.35
Diluted (INR)		<b>42.14</b>	44.19
<b>Earnings per equity share for profit from discontinued operations</b>	33		
Basic (INR)		<b>(8.19)</b>	0.26
Diluted (INR) (restricted to basic, if antidilutive)		<b>(8.19)</b>	0.25
<b>Earnings per equity share for profit from continuing and discontinued operations</b>	33		
Basic (INR)		<b>35.05</b>	45.61
Diluted (INR)		<b>33.95</b>	44.45

Summary of significant accounting policies

2

Notes to the financial statements

3-50

The notes referred above form an integral part of the financial statements

As per our report of even date attached

**For MSKA & Associates**

**Chartered Accountants**

**Firm Registration Number: 105047W**

**For and on behalf of the Board of Directors of**

**BVG India Limited**

**CIN: U74999PN2002PLC016834**

**Nitin Manohar Jumani**

Partner

Membership No.: 111700

**Hanmantrao Gaikwad**

Chairman &

Managing Director

DIN: 01597742

**Umesh Mane**

Vice Chairman &

Jt. Managing Director

DIN: 01597365

**Manoj Jain**

Chief Financial Officer

**Rajni Pamnani**

Company Secretary

Mem. No.: F-11018

Pune, June 18, 2021

Pune, June 18, 2021

**BVG India Limited**  
**Standalone Cash Flow Statement**  
**for the Year ended 31 March 2021**

(All amounts are in Indian Rupees million)

	31 March 2021	31 March 2020
<b>A Cash flows from operating activities</b>		
<b>Net profit before tax</b>		
Continuing operations	1,217.99	1,393.48
Discontinued operations	(308.78)	(105.02)
Profit before tax including discontinued operations	<u>909.21</u>	<u>1,288.46</u>
Adjustments :		
Depreciation and amortization	247.03	222.24
(Gain) / Loss on sale of fixed assets	3.80	(0.62)
Provision for doubtful debts (ECL)	418.24	175.50
Bad debts and deposits written off	-	106.62
Impairment loss on Intangibles	-	-
Interest income	(57.53)	(115.85)
Finance cost	861.87	910.57
<b>Operating Profit before working capital changes</b>	<b>2,382.62</b>	<b>2,586.92</b>
Movements in working capital :		
(Increase) / decrease in inventories	(94.03)	221.56
(Increase) / decrease in trade receivables	(549.21)	(1,587.47)
(Increase) / decrease in loans	68.78	102.04
(Increase) / decrease in other financial assets	(160.27)	528.46
(Increase) / decrease in other assets	26.46	(113.09)
(Increase) / decrease in margin money deposits	123.99	(68.54)
Increase / (decrease) in trade payables	(93.31)	(331.65)
Increase / (decrease) in other financial liabilities	52.07	224.66
Increase / (decrease) in other current liabilities	(109.92)	44.89
Increase / (decrease) in contract liabilities	(56.91)	(134.93)
(Increase) / decrease in contract assets	74.57	(38.36)
Increase / (decrease) in provisions	85.50	94.88
<b>Working capital changes</b>	<u>(632.28)</u>	<u>(1,057.55)</u>
<b>Cash generated from operations</b>	<b>1,750.34</b>	<b>1,529.37</b>
Direct taxes paid (net of tax deducted at source and MAT credit utilisation), net of refunds	(342.24)	(341.13)
<b>Net cash flows from operating activities</b>	<u><b>1,408.10</b></u>	<u><b>1,188.24</b></u>
<b>B Cash flows from investing activities</b>		
Purchase of fixed assets (tangible and intangible fixed assets, capital work-in-progress, intangible assets under development)	33.41	(554.42)
Proceeds from sale of fixed assets	-	4.51
Purchase of non current investments	(30.36)	(0.18)
Net proceeds / (payment) for asset held for sale	31.95	(12.20)
(Investment in) / maturity of bank deposits (having original maturity of more than three months) (net)	(66.31)	15.82
Interest received	38.51	110.18
<b>Net cash used in investing activities</b>	<u><b>7.20</b></u>	<u><b>(436.29)</b></u>
<b>C Cash flows from financing activities</b>		
Proceeds from long term borrowings (Net)	14.84	261.39
Repayment of Long term borrowings	(249.44)	(277.02)
Proceeds from short term borrowings (net)	(514.04)	338.28
Proceeds on account of leases	(26.26)	(21.23)
Dividends paid / returns	-	-
Tax on dividends paid	-	-
Interest paid	(831.50)	(898.39)
<b>Net cash used in financing activities</b>	<u><b>(1,606.40)</b></u>	<u><b>(596.97)</b></u>

**BVG India Limited**  
**Standalone Cash Flow Statement**  
**for the Year ended 31 March 2021**

(All amounts are in Indian Rupees million)

	31 March 2021	31 March 2020
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	(191.10)	154.98
Cash and cash equivalents at beginning of the year	<u>783.13</u>	<u>628.15</u>
<b>Cash and cash equivalents at the end of the period</b>	<b><u>592.03</u></b>	<b><u>783.13</u></b>

**Components of cash and cash equivalents**

Cash on hand	0.27	0.58
Cheques in hand	439.90	700.36
Balances with banks:		
On current accounts (includes unclaimed dividend of 2019 INR 0.80 million)	93.25	71.86
In deposit accounts (with original maturity of 3 months or less)	-	-
Debit balances in cash credit accounts	<u>58.60</u>	<u>10.33</u>
<b>Total cash and cash equivalents (also refer note 12)</b>	<b><u>592.02</u></b>	<b><u>783.13</u></b>

Summary of significant accounting policies 2  
Notes to the financial statements 3-50  
The notes referred above form an integral part of the financial statements

As per our report of even date attached

**For MSKA & Associates**  
**Chartered Accountants**  
**Firm Registration Number: 105047W**

**For and on behalf of the Board of Directors of**  
**BVG India Limited**  
**CIN: U74999PN2002PLC016834**

**Nitin Manohar Jumani**  
Partner  
Membership No.: 111700

**Hanmantrao Gaikwad**  
Chairman &  
Managing Director  
DIN: 01597742

**Umesh Mane**  
Vice Chairman &  
Jt. Managing Director  
DIN: 01597365

**Manoj Jain**  
Chief Financial Officer

**Rajni Pamnani**  
Company Secretary  
Mem. No.: F-11018

**Pune, June 18, 2021**

**Pune, June 18, 2021**

**BVG India Limited**  
**Statement of Changes in Equity**  
**for the Year ended 31 March 2021**  
*(All amounts are in Indian Rupees million)*

A. Equity share capital	Notes	
Balance as on 1 April 2019		257.10
Changes in equity share capital during 2019-20	16	-
<b>Balance as on 31 March 2020</b>		<b>257.10</b>
Changes in equity share capital during 2020-21	16	-
<b>Balance as on 31 March 2021</b>		<b>257.10</b>

**B. Instruments entirely equity in nature**

**Compulsorily convertible preference shares ('CCPS')**

Balance as on 1 April 2019		148.35
Changes in equity share capital during 2019-20	16	-
<b>Balance as on 31 March 2020</b>		<b>148.35</b>
Changes in equity share capital during 2020-21	16	-
<b>Balance as on 31 March 2021</b>		<b>148.35</b>

**C. Other equity**

	Equity component of compound financial instrument	Reserves and Surplus		Other comprehensive income	Total
		General reserve	Retained earnings	Remeasurement of defined benefit plan	
<b>Balance at 1 April 2019</b>	<b>4.20</b>	<b>1,672.40</b>	<b>3,745.93</b>	<b>(38.74)</b>	<b>5,383.79</b>
Transition impact of change in accounting policy Ind AS 116	-	-	(2.16)	-	(2.16)
Profit for the year	-	-	1,184.01	-	1,184.01
Other comprehensive income (net of tax)	-	-	-	(33.16)	(33.16)
<b>Balance at 31 March 2020</b>	<b>4.20</b>	<b>1,672.40</b>	<b>4,927.78</b>	<b>(71.90)</b>	<b>6,532.48</b>
Impact of change in Accounting policy (Ind AS 116 Leases)	-	-	-	-	-
<b>Balance at 1 April 2020</b>	<b>4.20</b>	<b>1,672.40</b>	<b>4,927.78</b>	<b>(71.90)</b>	<b>6,532.48</b>
Profit for the year	-	-	910.02	-	910.02
Other comprehensive income (net of tax)	-	-	-	(44.08)	(44.08)
<b>Balance as on 31 March 2021</b>	<b>4.20</b>	<b>1,672.40</b>	<b>5,837.80</b>	<b>(115.98)</b>	<b>7,398.42</b>

Summary of significant accounting policies 2  
Notes to the financial statements 3-50  
The notes referred above form an integral part of the financial statements

As per our report of even date attached

**For MSKA & Associates**  
**Chartered Accountants**  
**Firm Registration Number: 105047W**

**For and on behalf of the Board of Directors of**  
**BVG India Limited**  
**CIN: U74999PN2002PLC016834**

**Nitin Manohar Jumani**  
Partner  
Membership No.: 111700

**Hanmantrao Gaikwad**  
Chairman &  
Managing Director  
DIN: 01597742

**Umesh Mane**  
Vice Chairman &  
Jt. Managing Director  
DIN: 01597365

**Manoj Jain**  
Chief Financial Officer

**Rajni Pamnani**  
Company Secretary  
Mem. No.: F-11018

Pune, June 18, 2021

Pune, June 18, 2021

**BVG India Limited**

**Notes forming part of the standalone financial statements (continued)  
for the Year ended 31 March 2021**

(All amounts are in Indian Rupees million)

**3A. Property, plant and equipment and Capital work-in-progress**

	Land- Freehold	Leasehold Improvements	Buildings	Office equipment	Plant and equipment	Computers & peripherals	Furniture and fixtures	Vehicles	Total (A)	Capital work-in-progress (B)	Total (A+B)
<b>Gross carrying amount</b>											
Balance as at 1 April 2019	25.51	0.49	431.42	38.85	1,124.01	71.46	21.15	341.68	2,054.57	-	2,054.57
Additions / capitalisation	-	28.81	0.00	5.57	108.58	2.59	9.30	222.07	376.92	-	376.92
Disposals during the year	-	-	-	-	-	-	-	25.22	25.22	-	25.22
Balance as at 31 March 2020	25.51	29.30	431.42	44.42	1,232.59	74.05	30.45	538.53	2,406.27	-	2,406.27
Balance as at 1 April 2020	25.51	29.30	431.42	44.42	1,232.59	74.05	30.45	538.53	2,406.27	-	2,406.27
Additions / capitalisation	-	-	-	0.67	63.31	3.88	0.29	10.57	78.72	2.20	77.12
Disposals / adjustments during the year	-	-	-	-	3.31	-	-	0.49	3.80	-	3.80
<b>Balance as at 31 March 2021</b>	<b>25.51</b>	<b>29.30</b>	<b>431.42</b>	<b>45.09</b>	<b>1,292.59</b>	<b>77.93</b>	<b>30.74</b>	<b>548.61</b>	<b>2,481.19</b>	<b>2.20</b>	<b>2,483.39</b>
<b>Accumulated depreciation</b>											
Balance as at 1 April 2019	-	0.49	44.26	17.30	346.75	35.07	7.92	82.78	534.57	-	534.57
Charge for the year	-	0.07	13.92	6.46	90.43	14.96	3.33	56.11	185.28	-	185.28
Disposals during the year	-	-	-	-	-	-	-	21.33	21.33	-	21.33
Balance as at 31 March 2020	-	0.56	58.18	23.76	437.18	50.03	11.25	117.56	698.52	-	698.52
Balance as at 1 April 2020	-	0.56	58.18	23.76	437.18	50.03	11.25	117.56	698.52	-	698.52
Charge for the year	-	6.32	14.37	7.88	91.79	13.12	3.15	66.12	202.75	-	202.75
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>6.88</b>	<b>72.55</b>	<b>31.64</b>	<b>528.97</b>	<b>63.15</b>	<b>14.40</b>	<b>183.68</b>	<b>901.27</b>	<b>-</b>	<b>901.27</b>
<b>Net block</b>											
As at 31 March 2020	25.51	28.74	373.24	20.66	795.41	24.02	19.20	420.97	1,707.75	-	1,707.75
<b>As at 31 March 2021</b>	<b>25.51</b>	<b>22.42</b>	<b>358.87</b>	<b>13.45</b>	<b>763.62</b>	<b>14.78</b>	<b>16.34</b>	<b>364.93</b>	<b>1,579.92</b>	<b>2.20</b>	<b>1,582.12</b>

Note:

(i) Refer note 18 for details of Property, plant and equipment pledged as security for borrowings.

(ii) The Company has acquired certain plant and equipment, office equipment, computers and peripherals and vehicles under finance lease arrangement. The total minimum future lease payments at the Balance Sheet date is equal to the fair value of the assets acquired. The net carrying amount of such assets as on 31 March 2021 is INR 27.24 million (31 March 2020: 28.90 million )

**BVG India Limited****Notes forming part of the standalone financial statements (continued)****as at 31 March 2021***(All amounts are in Indian Rupees million)***3B. Right-of-use asset**

	<b>Building</b>	<b>Total (A)</b>
<b>Gross carrying amount</b>		
Balance as at 1 April 2020	123.79	<b>123.79</b>
Additions*	2.30	<b>2.30</b>
<b>Balance as at 31 March 2021</b>	<b>126.09</b>	<b>126.09</b>
<b>Accumulated depreciation</b>		
Balance as at 1 April 2020	17.81	<b>17.81</b>
Charge for the year*	19.66	<b>19.66</b>
<b>Balance as at 31 March 2021</b>	<b>37.47</b>	<b>37.47</b>
<b>Net block</b>		
As at 31 March 2020	105.98	105.98
<b>As at 31 March 2021</b>	<b>88.62</b>	<b>88.62</b>

\*Also refer Note 39

## BVG India Limited

### Notes forming part of the standalone financial statements *(continued)*

as at 31 March 2021

*(All amounts are in Indian Rupees million)*

#### 4. Investment property

	Investment Property
<b>Gross carrying amount</b>	
Balance as at 1 April 2019	36.05
Additions	38.15
<b>Balance as at 31 March 2020</b>	<b>74.20</b>
Balance as at 1 April 2020	74.20
Additions	0.00
<b>Balance as at 31 March 2021</b>	<b>74.20</b>
<b>Accumulated depreciation</b>	
Balance as at 1 April 2019	1.00
Charge for the year	0.40
<b>Balance as at 31 March 2020</b>	<b>1.40</b>
Balance as at 1 April 2020	1.40
Charge for the year	0.84
<b>Balance as at 31 March 2021</b>	<b>2.24</b>
<b>Carrying amount (net)</b>	
As at 31 March 2020	72.80
<b>As at 31 March 2021</b>	<b>71.96</b>
<b>Fair value</b>	
As at 31 March 2020	74.20
<b>As at 31 March 2021</b>	<b>73.68</b>

The above property has been acquired under a finance lease arrangement. The lease term of the arrangement is for the major economic life of the asset.

#### Measurement of fair values

##### Fair value hierarchy

Investment property comprises of commercial property for the purpose of leasing out to third parties.

The fair value of investment property has been determined by an external independent valuer, having appropriate recognised professional qualifications and experience in the location and category of property being valued. The fair value measurement for the investment property has been categorised as a Level 2 fair value based on the inputs to the valuation technique used.

#### Valuation technique

The valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

## BVG India Limited

### Notes forming part of the standalone financial statements *(continued)*

as at 31 March 2021

*(All amounts are in Indian Rupees million)*

#### 5. Goodwill, Other intangible assets Intangible assets under development

	Software	Goodwill	Total
<b>Gross carrying amount</b>			
Balance as at 1 April 2019	85.51	68.89	154.40
Additions	13.40	-	13.40
<b>Balance as at 31 March 2020</b>	<b>98.91</b>	<b>68.89</b>	<b>167.80</b>
Balance as at 1 April 2020	98.91	68.89	167.80
Additions	1.02	-	1.02
<b>Balance as at 31 March 2021</b>	<b>99.93</b>	<b>68.89</b>	<b>168.82</b>
<b>Accumulated amortisation</b>			
Balance as at 1 April 2019	34.09	68.89	102.98
Charge for the year	18.76	-	18.76
<b>Balance as at 31 March 2020</b>	<b>52.85</b>	<b>68.89</b>	<b>121.74</b>
Balance as at 1 April 2020	52.85	68.89	121.74
Charge for the year	23.78	-	23.78
<b>Balance as at 31 March 2021</b>	<b>76.63</b>	<b>68.89</b>	<b>145.52</b>
<b>Net block</b>			
As at 31 March 2020	46.06	-	46.06
<b>As at 31 March 2021</b>	<b>23.30</b>	<b>-</b>	<b>23.30</b>

## BVG India Limited

### Notes forming part of the standalone financial statements *(continued)*

#### for the Year ended 31 March 2021

*(All amounts are in Indian Rupees million)*

#### 6. Investments

	31 March 2021	31 March 2020
<b>Non-current</b>		
<b>Investments measured at fair value through other comprehensive income</b>		
<b>Non-trade investments in equity instruments (unquoted)</b>		
- Rupee Co-operative Bank Limited 1,000 (2020: 1,000) equity shares of Rs. 25 each fully paid	0.03	0.03
- Saraswat Co-operative Bank Limited 1,000 (2020: 1,000) equity shares of Rs. 25 each fully paid	0.03	0.03
- Thane Janta Sahakari Bank Limited 10 (2020: 10) equity shares of Rs. 50 each fully paid	0.00*	0.00*
- BVG Krystal Joint Venture (refer note 'a' below)	-	-
- The Cosmos Co-Operative Bank Limited 10,000 (2020: 10,000) equity shares of Rs. 100 each fully paid	1.00	1.00
<b>Investments measured at amortised cost (unquoted)</b>		
Investments in Government or trust securities		
- National Saving Certificates	0.00*	0.00*
<b>Investments in mutual fund at fair value through profit and loss (Quoted)</b>		
Investments in Mutual Funds		
- Union Corporate Bond Fund Regular Plan - Growth 2,523,151 (2020: Nil) units with Net Asset Value of Rs. 12.0032 each (2020: Nil)	30.29*	-
<b>Investments measured at cost (Unquoted)</b>		
Investments in equity instruments of joint venture		
- BVG-UKSAS EMS Private Limited 4,900 (2020: 4,900) equity shares of Rs. 10 each fully paid	0.05	0.05
Investments in equity instruments of subsidiary		
- BVG Kshitij Waste Management Services Private Limited 7,400 (2020: 7,400) equity shares of Rs. 10 each fully paid	0.07	0.07
- Out-of-Home Media (India) Private Limited 36,599,062 (2020: 36,599,062) equity shares of INR 10 each fully paid	-	-
- BVG Skill Academy 25,500 (2020: 25,500) equity shares of Rs. 10 each fully paid	0.26	0.26
- BVG-UKSAS (SPV) Private Limited 7,400 (2020: NIL) equity shares of Rs. 10 each fully paid	0.07	-
	<b>31.80</b>	<b>1.44</b>
Aggregate value of unquoted investments	1.51	1.44
Aggregate value of quoted investments	30.29	0.00*
Aggregate amount of impairment in value of investments	1.90	1.90
Investments measured at cost	0.45	0.38
Investments measured at amortised cost	0.00	0.00
Investments measured at fair value through other comprehensive income	1.06	1.06
Investments measured at fair value through profit and loss	30.29	-

\* Since denominated in INR million

#### a) Equity shares designated as at fair value through other comprehensive income

The above amounts represent the fair values of the designated investments as at the respective reporting dates.

#### b) Investment in BVG Krystal Joint Venture

BVG Krystal Joint Venture (BVG Krystal) is a joint arrangement in which the Company has a right of 51% share in profits. BVG Krystal is a partnership firm registered on 2 June 2009, having its principal place of business at Mumbai. The firm was set up for providing all types of security solutions, including supply of security personnel, protection of property, house-keeping and all other relevant and incidental work.

Based on the nature of arrangement, it has been treated as a jointly controlled operation in these standalone financial statements. The following table summarises the financial information of BVG Krystal.

**BVG India Limited****Notes forming part of the standalone financial statements (continued)****for the Year ended 31 March 2021***(All amounts are in Indian Rupees million)***6. Investments (continued)**

	31 March 2021	31 March 2020
<b>Share in profits (%)</b>	<b>51%</b>	51%
Non current assets	<b>28.89</b>	28.89
Current Assets		
Trade receivables	<b>79.51</b>	79.51
Cash and cash equivalents	<b>0.01</b>	0.01
Current Liabilities		
Trade payables	<b>(108.55)</b>	(108.55)
<b>Net Assets</b>	<b>(0.14)</b>	(0.14)
<b>Company's share of net assets of joint operation</b>	<b>(0.07)</b>	(0.07)

**7. Loans***(Unsecured, considered good unless otherwise stated)***Non-current**

	31 March 2021	31 March 2020
Security deposits	<b>61.33</b>	45.58
	<b>61.33</b>	45.58

**Current**

Loans and advances to employees	<b>2.03</b>	1.08
Security and earnest money deposits	<b>124.47</b>	190.93
	<b>126.50</b>	192.01

Note: Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 45

**8. Other financial assets***(Unsecured, considered good unless otherwise stated)*

	31 March 2021	31 March 2020
<b>Non-current</b>		
Deposits (including Margin money) with banks <i>(with remaining maturity more than twelve months)</i>	<b>0.45</b>	112.75
Retention money	<b>547.63</b>	656.38
	<b>548.08</b>	769.13
<b>Current</b>		
Lease receivables	<b>237.47</b>	367.39
Interest accrued on fixed deposits	<b>35.80</b>	16.79
Unbilled revenue	<b>2,085.30</b>	1,823.46
Retention money	<b>485.10</b>	367.01
	<b>2,843.67</b>	2,574.65

Note: Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in note 45.

**BVG India Limited**  
**Notes forming part of the standalone financial statements (continued)**  
**for the Year ended 31 March 2021**  
*(All amounts are in Indian Rupees million)*

<b>9. Other Assets</b>	<b>31 March 2021</b>	31 March 2020
<i>(Unsecured, considered good unless otherwise stated)</i>		
<b>Non-current</b>		
Capital advances (Refer note 34)	<b>178.80</b>	288.99
VAT/ Service tax recoverable	<b>107.97</b>	128.98
Other loans and advances	<b>73.87</b>	73.26
	<b>360.64</b>	491.23
<b>Current</b>		
Advances for supply of goods and services	<b>534.27</b>	536.66
Other loans and advances		
Considered good	<b>72.84</b>	76.50
	<b>607.11</b>	613.16
	<b>967.75</b>	1,104.39
<b>10. Inventories</b>		
<i>At lower of cost and net realisable value</i>		
Stores and spares	<b>133.98</b>	93.83
Work in Progress relating to discontinued operations	<b>1,560.25</b>	1,506.37
	<b>1,694.23</b>	1,600.20
<b>11. Trade receivables</b>		
<b>Trade receivables</b>		
Unsecured, considered good	<b>8,868.13</b>	8,737.16
Considered doubtful	<b>1,964.58</b>	1,546.34
	<b>10,832.71</b>	10,283.50
<b>Loss allowance</b>		
Doubtful	<b>(1,964.58)</b>	(1,546.34)
	<b>(1,964.58)</b>	(1,546.34)
<b>Net trade receivables</b>	<b>8,868.13</b>	8,737.16

**Note:**

(i) Refer note 37 for amounts due from related parties.

(ii) Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in Note 45.

**BVG India Limited****Notes forming part of the standalone financial statements (continued)****for the Year ended 31 March 2021***(All amounts are in Indian Rupees million)*

	31 March 2021	31 March 2020
<b>12. Cash and cash equivalents</b>		
Cash on hand	0.27	0.58
Cheques in hand	439.90	700.36
Balances with banks:		
On current accounts (includes unclaimed dividend of INR 0.80 million (2020: INR 0.80 million))	93.25	71.86
Debit balances in cash credit accounts	58.60	10.33
	<u>592.02</u>	<u>783.13</u>
<b>13. Other bank balances</b>		
Margin money deposits with original maturity more than three months and remaining maturity less than twelve months	483.28	494.98
On deposit account with original maturity more than three months and remaining maturity less than	98.95	32.64
	<u>582.23</u>	<u>527.62</u>
<b>14. Contract assets</b>		
Contract Assets relating to training business	-	74.57
	<u>-</u>	<u>74.57</u>
<b>15. Assets classified as held for sale</b>		
Freehold land held for sale (Refer note 44)	149.94	137.40
	<u>149.94</u>	<u>137.40</u>

## BVG India Limited

### Notes forming part of the standalone financial statements *(continued)*

#### for the Year ended 31 March 2021

(All amounts are in Indian Rupees million)

	31 March 2021	31 March 2020
<b>16. Equity share capital</b>		
<b>Authorized:</b>		
<b>Equity share capital</b>		
32,164,861 (2020: 27,164,861) equity shares of Rs. 10 each	321.65	271.65
<b>Preference share capital</b>		
14,835,139 (2020: 14,835,139) compulsorily convertible cumulative preference shares ('CCPS') of Rs. 10 each	148.35	148.35
	<b>470.00</b>	<b>420.00</b>
<b>Issued, subscribed and fully paid-up:</b>		
<b>A. Equity share capital</b>		
25,710,388 (2020: 25,710,388) equity shares of Rs. 10 each	257.10	257.10
<b>B. Instruments entirely equity in nature</b>		
<b>Preference share capital</b>		
14,835,139 (2020: 14,835,139) compulsorily CCPS of Rs. 10 each	148.35	148.35
	<b>405.45</b>	<b>405.45</b>

#### 16.1 Reconciliation of the shares outstanding at the beginning and at the end of the year

	31 March 2021		31 March 2020	
	Number of shares	Amount	Number of shares	Amount
<b>A. Equity share capital</b>				
At the beginning of the year	257,10,388	257.10	257,10,388	257.10
Shares issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>257,10,388</b>	<b>257.10</b>	<b>257,10,388</b>	<b>257.10</b>
<b>B. Instruments entirely equity in nature <i>(also refer note 16.3 below)</i></b>				
<b>Preference share capital</b>				
At the beginning of the year	148,35,139	148.35	148,35,139	148.35
Shares issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>148,35,139</b>	<b>148.35</b>	<b>148,35,139</b>	<b>148.35</b>

#### 16.2 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors, in their meeting on 18 June 2021, proposed a final dividend of NIL (2020 : NIL) per equity share. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

#### 16.3 Rights, preferences and restrictions attached to preference shares (Instruments entirely equity in nature)

The Compulsory Convertible Cumulative Preference Shares (CCPS) that were privately placed with Strategic Investments FM (Mauritius) B Limited and Strategic Investments FM (Mauritius) Alpha Limited are convertible into equity shares of the Company, at a predetermined rate pursuant to the Investment Agreement. The holders of CCPS shall be entitled to an annual per share dividend equal to 0.001% of the consideration paid for the preference shares. The preference shareholders are entitled to one vote per share at meetings of the Company on any resolutions of the Company directly affecting their rights. In the event of winding up, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

## BVG India Limited

### Notes forming part of the standalone financial statements *(continued)*

#### for the Year ended 31 March 2021

(All amounts are in Indian Rupees million)

#### 16.4 Details of shareholders holding more than 5% shares is set out below:

Name of the shareholder	31 March 2021		31 March 2020	
	No. of shares	% held	No. of shares	% held
<b>A. Equity share capital</b>				
Hanmantrao Gaikwad	133,43,912	51.90%	134,74,912	52.41%
Umesh Mane	19,49,092	7.58%	19,49,092	7.58%
Strategic Investments FM (Mauritius) Alpha Ltd.	56,28,249	21.89%	56,28,249	21.89%
Strategic Investments FM (Mauritius) B Ltd.	12,87,781	5.01%	12,87,781	5.01%
<b>B. Instruments entirely equity in nature</b>				
<b>Preference share capital</b>				
Strategic Investments FM (Mauritius) Alpha Ltd.	120,72,804	81.38%	120,72,804	81.38%
Strategic Investments FM (Mauritius) B Ltd.	27,62,335	18.62%	27,62,335	18.62%

#### 16.5 Classification of equity shares and CCPS ('Investor shares') as financial liability:

Under the provisions of Ind AS 32 "Financial Instruments - Presentation", the issuer of a financial instrument shall classify the instrument, or its component parts, on initial recognition as a financial liability, a financial asset or an equity instrument in accordance with the substance (and not the legal form) of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.

A financial liability is defined as a liability that is a contractual obligation to deliver cash or any other financial asset or another entity.

In accordance with the Share holders' agreement, all CCPS series are cumulative, mandatorily and fully convertible. Further, with respect to the exit options available to the investors, the Company is liable to buy back all or any portion of the Investor Shares at fair market value determined by a valuer as per the investor agreement at the time of buy back, if certain conditions are not fulfilled by the Company.

Since there is an unavoidable obligation to pay cash in case of buy back of shares by the Company, these had initially been classified as a financial liability at fair value through Statement of Profit & Loss. Any directly attributable transaction cost were recognised in Statement of Profit & Loss as incurred.

Based on the addendum (vide a letter) to the shareholders agreement, the said liability was restated back to equity in the financial year 2017-18. Such addendum was further renewed vide extension letters issued at appropriate instances.

	31 March 2021	31 March 2020
<b>17. Other equity</b>		
<b>Equity component of compound financial instrument</b>		
As at the beginning of the year	4.20	4.20
Changes during the year	-	-
As at the end of the year	4.20	4.20
<b>General reserve</b>		
As at the beginning of the year	1,672.40	1,672.40
Add: Transferred from surplus in the Statement of Profit and Loss	-	-
As at the end of the year	1,672.40	1,672.40
<b>Retained earnings</b>		
As at the beginning of the year	4,927.78	3,745.93
Add: Net profit after tax transferred from Statement of Profit and Loss	910.02	1,184.01
Less: Impact on account of change in accounting policy Ind AS 116 (Refer note 39)	-	(2.16)
<u>Appropriations:</u>		
Dividend and dividend distribution tax on preference shares	(0.00)*	(0.00)*
Balance as at the end of the year	5,837.80	4,927.78
<b>Other comprehensive income</b>		
As at the beginning of the year	(71.90)	(38.74)
Re-measurement of defined benefit plan	(67.75)	(50.99)
Income tax effect relating to above item	23.67	17.83
As at the end of the year	(115.98)	(71.90)
	<b>7,398.42</b>	<b>6,532.48</b>

\* Since denominated in INR million

**BVG India Limited**  
**Notes forming part of the standalone financial statements (continued)**  
**for the Year ended 31 March 2021**

(All amounts are in Indian Rupees million)

**18. Borrowings**

	Non-current portion		Current portion	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Long-term borrowings</b>				
<b>Secured:</b>				
<b>Term loans:</b>				
From banks				
in Indian Rupees (also refer notes 'a & f' below)	184.98	311.97	130.14	150.89
From other parties				
in Indian Rupees (also refer note 'b & f' below)	283.01	371.60	88.83	85.30
	<b>467.99</b>	<b>683.57</b>	<b>218.97</b>	<b>236.19</b>
Finance lease obligation (also refer note 'c' and 'f')	-	8.40	8.58	20.75
	-	8.40	8.58	20.75
<b>Unsecured:</b>				
Optionally convertible interest free debentures of Rs. 10 each 682,977 (2020: 682,977) (also refer note 'd')	1.84	1.57	-	-
From other parties (also refer note 'e')	34.90	-	21.89	38.29
	<b>36.74</b>	<b>1.57</b>	<b>21.89</b>	<b>38.29</b>
	<b>504.73</b>	<b>693.54</b>	<b>249.44</b>	<b>295.23</b>
Reclassified to current financial liabilities (refer note 22)	-	-	(249.44)	(295.23)
	<b>504.73</b>	<b>693.54</b>	<b>-</b>	<b>-</b>
<b>Short-term borrowings</b>				
<b>From banks (Secured) :</b>				
Cash credit facilities (also refer note 'g' below)			1,449.15	3,122.38
Loan repayable on demand (also refer note 'h' below)			3,135.27	1,976.08
			<b>4,584.42</b>	<b>5,098.46</b>

Information about the Company's exposure to Interest rate risk, foreign currency risk and liquidity risk is disclosed in Note 45.

**Securities**

**a) For term loans and current borrowings from consortium banks in Indian Rupees**

1) The loans are from multiple banks under a consortium banking arrangement with the securities being under the charge of a security trustee Company (SBICAP trustee Company Limited). Total outstanding balance of such loans as on 31 March 2021 is 156.32 million (31 March 2020: 248.88 million). The securities offered under the said arrangement are as under:

- Unconditional and irrevocable personal guarantees of Hanmantrao Gaikwad and Umesh Mane.
- Corporate guarantee of Aarya Agro-Bio and Herbals Private Limited.
- First charge ranking pari passu on land situated at Village Bibi, Taluka Phaltan owned by company together with all buildings and structures which are standing, erected and permanently attached or shall at any time constituted be erected, standing and permanently attached thereto.
- First charge ranking pari passu on all that pieces and parcels of land situated at Pandharpur owned by the Company, together with all buildings and structures which are standing, erected and permanently attached or shall at any time constituted be erected, standing and permanently attached thereto.
- First charge ranking pari passu on all pieces and parcels of immovable property consisting of first, second and third floor situated at Premier Plaza, Chinchwad owned by the Aarya Agro-Bio and Herbals Private Limited.
- First charge ranking pari passu on all that pieces and parcels of garage & shed areas situated at Bhosari owned by Aarya Agro-Bio and Herbals Private Limited.
- First charge ranking pari passu on all pieces and parcels of immovable property in Chinchwad and Shivajinagar, Pune, owned by Mr. Hanmantrao Gaikwad.
- First charge ranking pari passu on agriculture land situated at Koregaon, District Satara owned by Mr. Hanmantrao Gaikwad.
- Second charge on ranking pari passu on the immovable property situated at Sagar complex, Kasarwadi.
- Second charge on ranking pari passu on Company's movable fixed assets.

2) Long term loan from bank includes vehicle loan which is secured by way of hypothecation of vehicles. Total outstanding balance of such loans as on 31 March 2021 is 150.70 million (31 March 2020: 205.34 million).

3) Long term loan from bank includes property loan, which is secured by way of mortgage of property at Balewadi, Pune owned by the Company. Total outstanding balance of such loans as on 31 March 2021 is 8.10 million (31 March 2020: 8.63 million).

4) The term loans from banks carry interest rate ranging from 8.25% to 12.50% p.a. The number of monthly instalments payable for these are ranging from 3 to 170.

**b) For term loans from others in Indian Rupees**

1) The term loan from others include loans taken from Capital First Limited which are secured by way of first charge on ranking pari passu on the immovable property situated at Sagar complex, Kasarwadi. Total outstanding balance of such loan as on 31 March 2021 is 213.64 million (31 March 2020: 226.88 million). The loans were sanctioned in the years 2014 and 2018 and carry interest rate of 9.50% to 12.5% p.a. The monthly instalments payable for these loans end in

**BVG India Limited**

**Notes forming part of the standalone financial statements *(continued)***

**for the Year ended 31 March 2021**

*(All amounts are in Indian Rupees million)*

2) The term loan from others include vehicle loans taken from Tata Motors Finance Limited & Tata Motors Finance Solutions Limited which is secured by of hypothecation of vehicles. The total outstanding balance of such loans as on 31 March 2021 is 158.20 million (31 March 2020: 230.02 million). The interest rate for these loans are ranging from 8.75% to 11.00% p.a. The number of monthly instalments payable for these are ranging from 2 to 60.

**BVG India Limited**  
**Notes forming part of the standalone financial statements (continued)**  
**for the Year ended 31 March 2021**

(All amounts are in Indian Rupees million)

**18. Borrowings (continued)**

c) Certain assets have been obtained on finance lease basis. The legal title of those assets vests with the lessor. The lease term for such assets is 36 to 48 months, with equated monthly payments beginning from the month subsequent to the commencement of the lease. The total minimum future lease payments at the Balance Sheet date, element of interest included in such payments, and present value of these minimum lease payments are as follows:

Particulars	31 March 2021	31 March 2020
Total future minimum lease payments (MLP)	8.93	31.68
Future interest included in above MLP	0.35	2.53
Present value of future MLP	8.58	29.15

The rate of interest implicit above is 11.15% p.a.

The maturity profile of finance lease obligations is as follows:

Period	31 March 2021		31 March 2020	
	Minimum lease payments	Present value	Minimum lease payments	Present value
Payable within one year	8.93	8.58	22.13	19.99
Payable between 1-5 years	-	-	9.55	9.16

Finance lease obligations are secured against the respective assets taken on lease.

d) The Company had issued 682,977 unsecured, non-interest bearing optionally convertible debentures (OCD) of INR 10 each. The OCDs can be converted to 682,977 equity shares of the Company.

	31 March 2021	31 March 2020
Opening balance	1.57	1.34
Add: Accrued interest	0.27	0.23
<b>Carrying amount of liability as at the Balance Sheet date</b>	<b>1.84</b>	<b>1.57</b>

e) The unsecured loan from others include term loans from Tata Motors Finance Solution Limited and IBM India Private Limited. Total outstanding balance of such loans as on 31 March 2021 is 56.79 million (31 March 2020: Nil) and Nil (31 March 2020: 38.29 million) respectively. The loans carry interest rate ranging from 11.50% to 12% p.a. The number of monthly instalment payable for these are ranging from 8 to 32.

**f) Maturity profile of loans other than finance lease obligation and debentures -**

	Maturity profile					
	Upto 1 year*	1-2 Years	2-3 Years	3-4 Years	Beyond 4 years	Total
Term loans						
as on 31 March 2021	240.86	211.02	109.64	32.79	149.45	743.76
as on 31 March 2020	274.48	218.50	191.88	103.07	175.83	963.76

\* disclosed under other current liabilities (also refer note 22)

g) The cash credit facilities carry interest ranging between 7.80% to 12.20% p.a. Refer note (a) for security provided.

h) The working capital demand loans are repayable on demand at interest rate ranging between 8.67 to 11.25%. Refer note (a) for security provided.

**BVG India Limited**  
**Notes forming part of the standalone financial statements (continued)**  
**for the Year ended 31 March 2021**

(All amounts are in Indian Rupees million)

**18. Borrowings (continued)**

**Net debt reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

	31 March 2021	31 March 2020
Cash and cash equivalents	592.02	783.13
Other bank balances	582.23	527.62
Book overdraft	-	-
Non-current borrowings	(504.73)	(693.54)
Current maturities of long term debt	(249.44)	(295.23)
Current borrowings	(4,584.42)	(5,098.46)
Accrued interest (Classified in current liabilities)	(25.62)	(5.99)
	<b>(4,189.96)</b>	<b>(4,782.47)</b>

	Current assets			Liabilities from financing activities			Total
	Cash and cash equivalents	Other bank balances	Term loans	Finance lease obligations	Unsecured loans	Other current borrowings	
Net debt as at 1 April 2019	601.92	371.13	(863.92)	(58.26)	(87.43)	(4,760.18)	<b>(4,796.74)</b>
Cash flows	181.20	156.49	(61.83)	(87.02)	47.57	(338.28)	<b>(101.86)</b>
<b>Net debt as at 31 March 2020</b>	<b>783.12</b>	<b>527.62</b>	<b>(925.75)</b>	<b>(145.28)</b>	<b>(39.86)</b>	<b>(5,098.46)</b>	<b>(4,898.60)</b>
Cash flows	(191.11)	54.61	213.17	33.80	(18.77)	514.04	<b>605.74</b>
<b>Net debt as at 31 March 2021</b>	<b>592.01</b>	<b>582.23</b>	<b>(712.58)</b>	<b>(111.48)</b>	<b>(58.63)</b>	<b>(4,584.42)</b>	<b>(4,292.86)</b>

**19. Lease liability**

	Non-current portion		Current portion	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Lease liability	<b>86.29</b>	99.79	<b>16.61</b>	16.33
	<b>86.29</b>	99.79	<b>16.61</b>	16.33

## BVG India Limited

### Notes forming part of the standalone financial statements *(continued)*

as at 31 March 2021

*(All amounts are in Indian Rupees million)*

#### 20. Provisions

	31 March 2021	31 March 2020
<b>Non current</b>		
Provision for employee benefits		
Gratuity (Refer note 40)	497.30	352.72
	<b>497.30</b>	<b>352.72</b>
<b>Current</b>		
Gratuity (Refer note 40)	37.87	31.19
Compensated absence	37.70	35.71
Dividend on preference shares (including taxes)	(0.00)*	(0.00)*
	<b>75.57</b>	<b>66.90</b>

\* Since denominated in INR million

#### 21. Trade payables

Outstanding dues of micro enterprises & small enterprises	0.54	0.81
Outstanding dues of creditors other than micro enterprises & small enterprises	1,216.09	1,309.13
	<b>1,216.63</b>	<b>1,309.94</b>

(i) Refer note 37 for amounts due to related parties

(ii) Information about the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is disclosed in Note 45

#### 22. Other financial liabilities

Current maturities of long-term debt (also refer note 18)	240.86	274.48
Current maturities of long-term debt pertaining to finance lease obligation (also refer note 18)	8.58	20.75
Interest accrued but not due on borrowings	25.62	5.99
Interim dividend payable (relating to earlier years)	0.80	0.80
Accrued employee liabilities	1,502.57	1,450.50
Capital creditors	40.22	35.06
	<b>1,818.65</b>	<b>1,787.58</b>

#### 23. Contract liabilities

Contract liabilities relating to discontinued operations	1,507.37	1,425.47
Contract liabilities relating to training business	-	138.81
	<b>1,507.37</b>	<b>1,564.28</b>

(i) Information about the Company's exposure to Interest rate risk, foreign currency risk and liquidity risk is disclosed in Note 45

#### 24. Other current liabilities

Statutory liabilities	609.39	798.07
Advance from customers	87.17	8.41
	<b>696.56</b>	<b>806.48</b>

#### 25. Liabilities directly associated with assets held for sale

Advances received (Refer note 44)	87.49	43.00
	<b>87.49</b>	<b>43.00</b>

**BVG India Limited**  
**Notes forming part of the standalone financial statements (continued)**  
**for the Year ended 31 March 2021**  
*(All amounts are in Indian Rupees million)*

	31 March 2021	31 March 2020
<b>26. Revenue from contracts with customers</b>		
Facility services revenue	16,236.98	19,168.71
Facility projects revenue	392.36	66.09
	<u>16,629.34</u>	<u>19,234.80</u>
<b>27. Other income</b>		
Interest income under effective interest method on deposits with banks and others	37.27	39.86
Foreign exchange fluctuation gain (net)	1.73	0.03
Finance income on lease receivables	20.26	48.56
Interest income on financial assets at amortised cost	-	8.71
Miscellaneous income	6.66	3.33
	<u>65.92</u>	<u>100.49</u>
<b>28. Cost of materials consumed</b>		
Inventory at the beginning of the year	93.83	233.94
Add: Purchases	1,207.45	1,760.90
Less: Inventory at the end of the year	133.98	93.83
	<u>1,167.30</u>	<u>1,901.01</u>
<b>Break up of materials consumed</b>		
Construction/ Project material	207.30	49.14
Others	960.00	1,851.87
	<u>1,167.30</u>	<u>1,901.01</u>
<b>Break up of closing stock</b>		
Electrical material	25.92	34.63
Construction/ Project material	34.60	8.51
Others	73.46	50.69
	<u>133.98</u>	<u>93.83</u>

**BVG India Limited**  
**Notes forming part of the standalone financial statements (continued)**  
**for the Year ended 31 March 2021**  
*(All amounts are in Indian Rupees million)*

	31 March 2021	31 March 2020
<b>29. Employee benefits expense</b>		
Salaries, wages and allowances	9,574.82	10,417.88
Contribution to provident and other funds (refer note 40)	903.25	1,001.45
Staff welfare expenses	79.76	84.98
	<b>10,557.83</b>	<b>11,504.31</b>
<b>30. Finance costs</b>		
Interest expense		
On borrowings from banks	740.08	797.36
On borrowings from others	10.74	11.40
On optionally convertible debentures	0.27	0.23
Other borrowing costs*	110.78	101.58
	<b>861.87</b>	<b>910.57</b>
*Includes charges on account of guarantee commission, LC and renewal of credit facilities.		
<b>31. Other expenses</b>		
Subcontracting charges	379.62	704.82
Freight, octroi and transportation	23.04	29.79
Equipment hiring charges	96.03	129.20
Retainership fees	559.67	575.07
Power and fuel	687.33	871.56
Rent (refer note 39)	55.03	159.90
Rates and taxes	58.09	28.05
Repairs and maintenance:		
- on machinery	8.77	13.10
- others	298.65	314.93
Insurance	29.39	28.84
Travelling and conveyance	47.50	78.45
Communication	35.12	40.47
Advertisement and sales promotions	9.68	22.22
Printing and stationery	16.16	37.78
Legal and professional charges	143.06	161.48
Auditors' remuneration (refer note below)	10.32	5.10
Corporate social responsibility expenses (Refer note 41)	26.32	22.63
Advances and balances written off	-	106.62
Provision for expected credit loss	143.22	28.32
Miscellaneous expenses	16.60	47.35
	<b>2,643.60</b>	<b>3,405.68</b>
<b>Payments to auditors</b>		
As an auditor		
Statutory audit fees	3.30	3.30
Other audit services	7.02	1.80
	<b>10.32</b>	<b>5.10</b>

**BVG India Limited****Notes forming part of the standalone financial statements (continued)****for the Year ended 31 March 2021***(All amounts are in Indian Rupees million)***32. Tax expenses**

	31 March 2021	31 March 2020
<b>A Recognised in Statement of Profit and Loss:</b>		
<b>Current income tax:</b>		
Current income tax charge	408.45	395.76
Tax relating to earlier periods (including MAT credit availment of 36.49 million)	(39.30)	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences [including MAT credit 171.91 million (31 March 2020: 109.58 million)]	(369.96)	(291.31)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>(0.81)</b>	<b>104.45</b>
<b>Tax benefit/(expense) of the year attributable to:</b>		
Continuing operations	(95.29)	(216.16)
Discontinued operations	96.10	111.71
	<b>0.81</b>	<b>(104.45)</b>
<b>B Recognised in Statement of Other comprehensive income:</b>		
<b>Deferred tax:</b>		
Remeasurement of defined benefit plan	23.67	17.83
<b>Income tax expense reported in the Statement of other comprehensive income</b>	<b>23.67</b>	<b>17.83</b>
<b>C Recognised in Balance Sheet:</b>		
<b>Tax assets</b>		
Non- current tax assets	237.44	88.21
	<b>237.44</b>	<b>88.21</b>
<b>Current tax liabilities</b>		
Current tax liability	213.80	147.26
	<b>213.80</b>	<b>147.26</b>
<b>D Reconciliation of effective tax rate</b>		
Accounting profit before tax	909.21	1,288.46
Tax using the Company's domestic tax rate (34.944%)	317.71	450.24
Adjustments in respect of MAT credit	(171.91)	(109.58)
Adjustments in respect of current income tax of previous years (including MAT credit)	(39.30)	-
<b>Tax effect of:</b>		
Impact on account of change in accounting policy- Ind AS 115	(18.85)	(75.01)
Corporate social responsibility expenditure and donations	9.20	7.91
Deduction under section 80JJAA of Income Tax Act	(15.26)	(110.06)
Deduction under section 80IA of Income Tax Act	(80.63)	(106.21)
Others	(1.78)	47.16
<b>Total</b>	<b>(0.81)</b>	<b>104.45</b>
<b>Income tax expense reported in the Statement of profit and loss</b>	<b>(0.81)</b>	<b>104.45</b>

**BVG India Limited****Notes forming part of the standalone financial statements (continued)****for the Year ended 31 March 2021***(All amounts are in Indian Rupees million)***E Deferred tax****Deferred tax relates to the following:  
Deferred tax asset / (liability)****Balance sheet****Statement of profit  
and loss & other  
comprehensive  
income**

	<b>31 March 2021</b>	31 March 2020	<b>31 March 2021</b>
<b>Deferred tax asset</b>			
Minimum alternate tax (MAT) credit	<b>171.91</b>	109.58	<b>(171.91)</b>
Expected credit loss and discounting of retention money	<b>752.26</b>	606.12	<b>(146.14)</b>
Provision for employee benefits	<b>366.79</b>	304.24	<b>(62.55)</b>
Others	<b>0.64</b>	0.54	<b>(0.10)</b>
<b>Total</b>	<b>1,291.60</b>	1,020.48	<b>(380.70)</b>
<b>Deferred tax liability</b>			
Property, plant & equipment and intangible assets (including intangible assets under development, net of RoU)	<b>(224.80)</b>	(240.97)	<b>(16.17)</b>
Claim of deduction on account of retention money	<b>(426.63)</b>	(423.38)	<b>3.25</b>
<b>Total</b>	<b>(651.43)</b>	(664.35)	<b>(12.92)</b>
<b>Net deferred tax asset / (liability)</b>	<b>640.17</b>	356.13	<b>(393.62)</b>

**Deferred tax expense/(income)****31 March 2021**

31 March 2020

Recognised in the statement of profit and loss (Expense / (income)) (including MAT credit)

- Attributable to continuing operations

**(273.86)**

(121.23)

- Attributable to discontinued operations (Refer Note 43)

**(96.10)**

(170.09)

Recognised in the statement of other comprehensive income (Expense / (income))

- Attributable to continuing operations

**(23.67)**

(17.83)

**BVG India Limited****Notes forming part of the standalone financial statements (continued)***(All amounts are in Indian Rupees million)***33 Earnings per share**

		31 March 2021	31 March 2020
<b>(a) Basic earnings per equity share of face value Rs. 10 each (in Rupees)</b>			
- From continuing operations	A (G/M)	<b>43.24</b>	45.35
- From discontinued operations	B (H/M)	<b>(8.19)</b>	0.26
- Total basic earnings per share	C (I/M)	<b>35.05</b>	45.61
<b>(b) Diluted earnings per equity share of face value Rs. 10 each (in Rupees)</b>			
- From continuing operations	D (J/N)	<b>42.14</b>	44.19
- From discontinued operations (restricted to basic, if antidilutive)	E (K/N)	<b>(8.19)</b>	0.25
- Total diluted earnings per share	F (L/N)	<b>33.95</b>	44.44
<b>(c) Reconciliation of earnings used in calculating earnings per year</b>			
<b>Net profit for the year attributable to equity shareholders (Basic)</b>			
- From continuing operations	G	<b>1,122.70</b>	1,177.32
- From discontinued operations	H	<b>(212.68)</b>	6.69
- Total net earnings	I	<b>910.02</b>	1,184.01
<b>Net profit after tax available for equity share holders (Diluted)</b>			
- From continuing operations	J	<b>1,122.70</b>	1,177.32
- From discontinued operations	K	<b>(212.68)</b>	6.69
- Total net earnings (diluted)	L	<b>910.02</b>	1,184.01
<b>(d) Weighted average number of shares used as the denominator</b>			
Weighted average number of equity shares of face value of INR 10 each outstanding during the year	M	<b>259,61,831</b>	259,61,831
Weighted average number of equity shares of INR 10 each considered as equity shares and potential equity shares outstanding	N	<b>266,44,808</b>	266,44,808
<b>Reconciliation of weighted average number of equity shares:</b>			
Equity shares		<b>257,10,388</b>	257,10,388
Effect of compulsorily convertible preference shares		<b>2,51,443</b>	2,51,443
Weighted average number of equity shares: Basic		<b>259,61,831</b>	259,61,831
Effect of optionally convertible debentures		<b>6,82,977</b>	6,82,977
Weighted average number of equity shares: Diluted		<b>266,44,808</b>	266,44,808

**BVG India Limited****Notes forming part of the standalone financial statements (continued)***(All amounts are in Indian Rupees million)***34 Contingent liabilities and commitments**

	31 March 2021	31 March 2020
<b>Capital commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	155.46	132.07
	<b>155.46</b>	<b>132.07</b>
<b>Contingent liabilities</b>		
I Guarantees extended by the Company ( <i>refer note a below</i> )	35.50	35.50
II Employee dues on account of amendment to Payment of Bonus Act, 1965 ( <i>Refer note c below</i> )	57.52	57.52
III Service tax claims (excluding interest and penalty) ( <i>Refer note c below</i> )	796.51	1,087.54
IV Value added tax claims (excluding interest and penalty)	34.26	-
	<b>923.79</b>	<b>1,180.56</b>

(a) Guarantees disclosed above excludes performance guarantee amounting to Rs. 2,805.92 million (31 March 2020: 3,159.00 million) towards bid security, earnest money deposit and security deposit.

(b) Since the decision for retrospective application of the amendment in Payment of Bonus Act, 1965 is pending with Hon'ble Bombay High Court, the Company has considered the amendment prospectively from FY 2015-16.

(c) The service tax claim (excluding interest and penalty) is on account of disallowance of exemptions on certain services by the Service tax department for the period of FYs 2012-17. The Company has filed an appeal with Central Excise and Service Tax Appellate Tribunal against the order for the period of FYs 2012-16, and is in the process of filing an appeal for FY 2016-17. The quantum of interest and penalty on above cannot be ascertained at the litigation stage and shall be finalised upon conclusion of the litigation.

(d) The Company received Foreign Direct Investment ('FDI') in January 2011 and has been providing private security services as part of the integrated facility management services to its customers. On June 24, 2016, the Department of Industrial Policy and Promotion ('DIPP') vide Press Note 5 (2016 Series) ('the Press Note') approved the liberalisation of FDI in companies engaged in private security services business. Considering the Press Note was consolidated and updated in the FDI Policy, 2017, as notified on August 28, 2017 and the fact that the amendments in the Foreign Exchange Management Act regulations did not incorporate the amendments stated above, the Company had filed an application dated October 14, 2020 with the Ministry of Home Affairs ('MHA'), Government of India, to seek post facto approval in respect of the existing FDI in the Company and for the continuation of the Company's private security services business, particularly in view of the fact that such services form an insignificant portion of the Company's business. While the Company has responded to clarifications sought by the authorities on this matter, no final approval of the application, or further directions in respect of condonation or otherwise, has been received from the MHA. Hence, the amount of penalty (if any) is currently not ascertainable and accordingly, the financial statements do not include any adjustments that may arise in respect of the above.

- 35** On 6 November 2019, a search/survey was conducted on the Company by the Income Tax Department pursuant to the provisions of section 132/133 of the Income Tax Act, 1961 ("the IT Act"). The proceedings covered various office locations, and residences of certain directors and employees of the Company. During these proceedings, the Income Tax department had requisitioned books of account and other documents under section 132A/133 of the IT Act for AY 2013-14 to AY 2019-20 ('the Relevant years'). The Company has provided the requisite information and explanations sought by the tax authorities. During the year, the Company has received notices u/s 153A of the IT Act for the Relevant years directing the Company to file revised returns. The Company is in the process of revision of the returns for the Relevant years in response to the said notices.

In the absence of any demand order, management is currently unable to quantify any possible tax obligation that may arise out of the said search/survey proceedings. Accordingly, no provision has been made pursuant to above matter in the current year.

**BVG India Limited**

**Notes forming part of the standalone financial statements *(continued)***

*(All amounts are in Indian Rupees million)*

- 36** The Honourable Supreme court gave a judgement dated February 28, 2019 on certain aspects related to Provident Fund. The question before the Supreme Court was whether certain allowances payable to all employees generally or to all employees engaged in a particular category would also fall within the purview of 'basic wages' for the purpose of determining the amount of EPF Contribution payable by the employer.

In reference to the above judgement, the Company is of the view that it is highly unlikely that the judgment of the Supreme Court would call for retrospective application. Further, the Company is also of the view that there are interpretation challenges and considerable uncertainty, including estimating the amount retrospectively.

Consequently, no financial effect has been provided in the financial statements towards any potential retrospective application of the above Supreme court judgement. However, as a matter of abundant caution, the Company has made a provision on a prospective basis and believes that the difference between the provision and the expected liability (if any) is not material.

**BVG India Limited**

**Notes forming part of the standalone financial statements (continued)**

(All amounts are in Indian Rupees million)

**37 Related party transactions**

**List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures**

**a) Related parties where control exists**

Subsidiaries	BVG Kshitij Waste Management Services Private Limited Out of Home Media India Private Limited BVG Skill Academy BVG-UKSAS (SPV) Private Limited
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**b) Joint venture**

BVG-UKSAS EMS Private Limited

**c) Joint operation**

BVG Krystal Joint Venture

**d) Key management personnel**

Chairman and Managing Director	Hanmantrao Ramdas Gaikwad
Vice Chairman and Whole time Director	Umesh Gautam Mane
Whole time Director	Ganesh Shripad Limaye (up to 30 June 2019)
Director	Swapnali Dattatraya Gaikwad
Chief Financial Officer	Niraj Kedia (Upto 31 July 2020)
Chief Financial Officer	Manoj Jain (from 01 August 2020)
Company Secretary	Rajni Pannani

**e) Relatives of Key management personnel**

Vaishali Hanmantrao Gaikwad  
Dattatraya Ramdas Gaikwad  
Mohini Umesh Mane

**f) Enterprises over which key management personnel and the relatives of such personnel exercise control / significant influence :**

BVG Energy Efficiency Private Limited  
BVG Life Sciences Limited  
BVG Hi-Tech Agro Limited (formerly known as BVG Sugars Limited)  
BVG Jal Private Limited (formerly known as Hilltop Developers Limited)  
Livestock and Crop Registry India Limited  
Satara Mega Food Park Private Limited  
BVG Clean Energy Limited  
BVG Security Services Private Limited  
Bharat Vikas Pratishthan  
BVG Clean Technologies Limited  
Aadiarya Agrotech Services LLP (formerly known as BVG Agrotech Services LLP)  
Intertech Electro Controls Private Limited  
BVG Agrotech Private Limited

**Transactions with related parties:**

Nature of transaction	Name of the related party	Year ended	Year ended
		31 March 2021	31 March 2020
Compensation paid to Key Management Personnel and their relatives*	Hanmantrao Ramdas Gaikwad	7.61	7.82
	Umesh Gautam Mane	18.10	14.10
	Ganesh Shripad Limaye	-	0.87
	Swapnali Dattatraya Gaikwad	2.34	2.42
	Vaishali Hanmantrao Gaikwad	6.64	6.82
	Dattatraya Ramdas Gaikwad	3.73	3.80
	Mohini Umesh Mane	0.29	0.76
	Niraj Kedia	2.23	6.22
	Manoj Jain	4.91	-
	Rajni Pannani	2.64	1.90
		<b>48.49</b>	<b>44.71</b>
*The above amounts do not include retirement benefits estimated based on actuarial valuation and not allocable to a specific employee.			
Rent Payable	Umesh Gautam Mane	0.11	0.11
		<b>0.11</b>	<b>0.11</b>
Sale of services	Bharat Vikas Pratishthan	0.09	36.30
	BVG Kshitij Waste Management Services Private Limited	11.22	35.17
	BVG Life Sciences Limited	3.87	3.52
	Satara Mega Food Park Private Limited	1.23	5.82
	Aadiarya Agrotech Services LLP (fka BVG Agrotech Services LLP)	-	1.23
	BVG Clean Energy Limited	9.01	-
	BVG-UKSAS EMS Private Limited	-	114.90
	BVG Agrotech Private Limited	0.72	-
		<b>26.14</b>	<b>196.94</b>
Purchases of goods and services	BVG Life Sciences Limited	5.37	0.05
	BVG Skill Academy	6.26	-
	BVG Health Food Private Limited	0.06	11.62
	BVG Jal Private Limited	-	0.01
	Satara Mega Food Park Private Limited	0.01	0.21
			<b>11.70</b>

**Amounts due to/from related parties**

Nature of outstanding (net balances reported)	Name of the related party	31 March 2021	31 March 2020
Trade receivables	BVG Krystal Joint Venture	2.86	2.86
	Bharat Vikas Pratishthan	3.51	6.20
	BVG Hi-Tech Agro Limited (fka BVG Sugars Limited)	8.56	8.56
	BVG Security Services Private Limited	4.13	5.80
	BVG Life Sciences Limited	15.28	11.22
	Satara Mega Food Park Private Limited	22.76	25.33
	BVG-UKSAS EMS Private Limited	813.65	808.94
	Intertech Electro Controls Private Limited	44.94	22.76
	Aadiarya Agrotech Services LLP (fka BVG Agrotech Services LLP)	0.52	1.56
	BVG Health Food Private Limited	0.56	-
	BVG Clean Energy Limited	14.68	4.86
	BVG Agrotech Private Limited	0.75	-
			<b>932.20</b>
Trade payables	BVG Energy Efficiency Private Limited	36.17	36.97
	BVG Clean Technologies Limited	1.26	1.26
	BVG Skill Academy	3.84	0.36
	BVG Jal Private Limited	0.07	0.16
	BVG Kshitij Waste Management Services Private Limited	-	7.17
	BVG Health Food Private Limited	0.06	-
	BVG Life Sciences Limited	1.91	-
		<b>43.31</b>	<b>45.92</b>
Remuneration payable	Hanmantrao Ramdas Gaikwad	0.59	0.45
	Umesh Gautam Mane	0.14	0.74
	Swapnali Dattatray Gaikwad	0.76	0.60
	Vaishali Hanmantrao Gaikwad	0.53	0.36
	Dattatraya Ramdas Gaikwad	0.41	0.19
	Mohini Umesh Mane	-	0.06
	Manoj Jain	0.58	-
Rajni Pannani	0.76	0.11	
Niraj Kedia	-	0.39	
		<b>3.78</b>	<b>2.89</b>
Capital advance	Satara Mega Food Park Private Limited	159.47	235.57
		<b>159.47</b>	<b>235.57</b>
Advances to suppliers	BVG Hi-Tech Agro Limited (fka BVG Sugars Limited)	64.56	63.62
	Intertech Electro Controls Private Limited	-	1.18
	BVG-UKSAS EMS Private Limited	-	8.23
	BVG Clean Energy Limited	6.77	-
	BVG Life Sciences Limited	9.25	1.96
	BVG Health Food Private Limited	6.60	-
		<b>87.18</b>	<b>74.99</b>
Advance to Others	Intertech Electro Controls Private Limited	-	20.60
	BVG Clean Energy Limited	18.24	18.29
		<b>18.24</b>	<b>38.89</b>
Deposits receivable	BVG Hi-Tech Agro Limited (fka BVG Sugars Limited)	24.00	24.00
	BVG Krystal Joint Venture	20.98	20.98
		<b>44.98</b>	<b>44.98</b>
Unbilled revenue	Bharat Vikas Pratishthan	-	0.03
	Satara Mega Food Park Private Limited	0.12	7.52
	Aadiarya Agrotech Services LLP (fka BVG Agrotech Services LLP)	-	3.08
		<b>0.12</b>	<b>10.63</b>
Borrowings from Key Management Personnel and their relatives*	Hanmantrao Ramdas Gaikwad	1.84	1.57
		<b>1.84</b>	<b>1.57</b>
Guarantees given by the Company	BVG Krystal Joint Venture	35.50	35.50
		<b>35.50</b>	<b>35.50</b>

**(i) Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in an arm's length transaction. Outstanding balances at the year-end are unsecured and interest free.

**BVG India Limited****Notes forming part of the standalone financial statements (continued)**

(All amounts are in Indian Rupees million)

**38 Operating segments****A. Description of segments and principal activities**

The business activities of the Company from which it earns revenues and incurs expenses; whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available involve predominantly four segments.

The following summary describes the operations in each of the Company's reportable segments:

<b>Reportable segments</b>	<b>Operations</b>
1. Facility services:	The division is engaged in the business of mechanized housekeeping, transportation, labour supply, facility management, maintaining ambulances and providing support services in operating such ambulances, running vehicles on hire etc.
2. Facility projects:	The division is engaged in the business of horticultural & landscaping contracts, LED street lights installation and maintenance, etc.
3. Engineering projects (discontinued):	The division is engaged in the business of electrical erection and commissioning contracts.
4. Others:	Results from trading activities not directly related to the above segments are included in the "Others" column

**B. Basis of identifying operating segments, reportable segments and segment profit****(i) Basis of identifying operating segments:**

Operating segments are identified as those components of the Company

(a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components;

(b) whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment and

(c) for which discrete financial information is available.

The Company has four reportable segments as described under 'Description of segments and principal activities' above. The nature of products and services offered by these businesses are different and are managed separately.

**(ii) Reportable segments:**

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

**(iii) Segment profit:**

Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the Company's CODM.

**BVG India Limited****Notes forming part of the standalone financial statements (continued)**

(All amounts are in Indian Rupees million)

**C. Information about reportable segments**

	Facility services		Facility projects		Engineering projects		Others		Total	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
External revenue recognised:										
Over time	<b>16,236.98</b>	19,168.71	<b>392.36</b>	66.09	-	-	-	-	<b>16,629.35</b>	19,234.80
At a point in time					-	390.69			-	390.69
<b>Segment revenues</b>	<b>16,236.98</b>	19,168.71	<b>392.36</b>	66.09	-	390.69	-	-	<b>16,629.35</b>	19,625.49
Segment expense	<b>14,086.58</b>	16,712.01	<b>282.17</b>	99.01	<b>306.05</b>	512.99	-	-	<b>14,674.80</b>	17,324.01
Segment depreciation	<b>246.19</b>	214.57	-	5.27	-	2.00	-	-	<b>246.19</b>	221.84
Segment results	<b>1,904.21</b>	2,242.13	<b>110.19</b>	(38.19)	<b>(306.05)</b>	(124.30)	-	-	<b>1,708.36</b>	2,079.64
Operating profit									<b>1,708.36</b>	2,079.64
Other income									<b>66.20</b>	119.81
Finance Cost									<b>(864.51)</b>	(910.59)
Unallocated depreciation / amortisation									<b>(0.84)</b>	(0.40)
<b>Profit before tax</b>									<b>909.21</b>	1,288.46
Current tax									<b>(408.45)</b>	(395.76)
Deferred tax charge									<b>369.96</b>	291.32
Short / (excess) provision of tax with respect to earlier years									<b>39.30</b>	-
<b>Profit after tax</b>									<b>910.02</b>	1,184.02
Segment assets	<b>15,326.86</b>	14,335.29	<b>1,303.63</b>	1,012.84	<b>1,219.02</b>	2,356.30	-	-	<b>17,849.50</b>	17,704.43
Unallocated Corporate assets									<b>619.62</b>	863.65
<b>Total assets</b>									<b>18,469.12</b>	18,568.09
Segment liabilities	<b>10,443.77</b>	10,937.18	<b>510.09</b>	772.12	<b>137.76</b>	129.73	-	-	<b>11,091.62</b>	11,839.02
Unallocated corporate liabilities									<b>213.80</b>	147.26
<b>Total liabilities</b>									<b>11,305.42</b>	11,986.28
Segment capital expenditure	<b>79.74</b>	390.32	-	-	-	-	-	-	<b>79.74</b>	390.32
Unallocated capital expenditure									<b>2.30</b>	38.15
<b>Total capital expenditure</b>									<b>82.04</b>	428.47

## BVG India Limited

### Notes forming part of the standalone financial statements (continued)

as at 31 March 2021

(All amounts are in Indian Rupees million)

#### 39 Leases

##### Definition of lease

Under Ind AS 116, the Company assesses whether a contract is or contains a lease based on the definition of a lease, as explained in accounting policies.

##### A. As a lessee

Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

The Company decided to apply recognition exemptions to short-term leases. For leases of other assets, which were classified as operating under Ind AS 116, the Company recognised right-of-use assets and lease liabilities.

##### B. As a lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub-lease. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application.

##### C. Impact on financial statements

On transition to Ind AS 116, the Company recognised INR 63.10 million as right-of-use assets and INR 65.26 as lease liabilities, recognising the difference in retained earnings amounting to INR 2.16 million. Detailed bifurcation of lease liability & right-of-use

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted-average rate applied is 11.1%.

The maturity analysis of lease liabilities is disclosed under Note 45 B

Right-of-Use recognised in the balance sheet	As at 31 March 2021
Building	88.62
<b>Lease liabilities included in the balance sheet</b>	
	As at 31 March 2021
Non-current	86.29
Current	16.61
<b>Total</b>	<b>102.90</b>
<b>Amounts recognised in the Statement of profit and loss</b>	
	For the year ended 31 March 2021
Interest on lease liabilities	10.74
<b>Total</b>	<b>10.74</b>
<b>Amounts recognised in the statement of cash flows</b>	
	For the year ended 31 March 2021
Total cash outflow for leases	(26.26)
<b>Total</b>	<b>(26.26)</b>

##### B. Leases as lessor

The Company has leased its vehicles on finance lease basis.

	Lease receivable
<b>Amount as at 1 April 2019</b>	<b>542.35</b>
Add: Finance income recognised during the period	48.56
Less: Minimum lease payments received during the period	(223.52)
<b>Amount as at 31 March 2020</b>	<b>367.39</b>
Add: Finance income recognised during the period	20.26
Less: Minimum lease payments received during the period	(150.18)
<b>Amount as at 31 March 2021</b>	<b>237.47</b>

**BVG India Limited****Notes forming part of the standalone financial statements (continued)****as at 31 March 2021***(All amounts are in Indian Rupees million)*

	31 March 2021	31 March 2020
<b>Gross investment in the lease</b>		
- receivable in less than one year	268.24	385.51
- receivable between one and five years	-	-
- receivable after more than five years	-	-
	<b>268.24</b>	<b>385.51</b>
<b>Present value of minimum lease payments</b>		
- receivable in less than one year	237.47	227.63
- receivable between one and five years	-	-
- receivable after more than five years	-	-
	<b>237.47</b>	<b>227.63</b>
<b>Unearned finance income receivable</b>	<b>30.77</b>	<b>18.12</b>
<b>Net investment in lease</b>	<b>237.47</b>	<b>367.39</b>
<b>Unguaranteed residual value</b>	<b>13.86</b>	<b>13.86</b>

During the year, there is no revenue against the investment property held by the company for the purpose of leasing out to third parties.

**BVG India Limited****Notes forming part of the standalone financial statements (continued)***(All amounts are in Indian Rupees million)***40 Employee benefits****A. Defined contribution plans**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, employees state insurance corporation and labour welfare fund, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to provident fund, employee state insurance and labour welfare fund for the year amounted to INR 762.72 million, INR 205.87 million and INR 2.67 million (31 March 2020 : 799.92 million, 251.04 million, 1.88 million) respectively.

**B. Defined benefit plan****I. For staff:**

The Company has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. The scheme is a non-contributory defined benefit arrangement providing gratuity benefits expressed in terms of final monthly salary and service. The scheme is partly funded with the Life Insurance Corporation of India. In accordance with the standard, the disclosures relating to the Company's gratuity plan are provided below:

	31 March 2021	31 March 2020
<b>a) Statement showing changes in present value of obligation</b>		
Present value of obligations at the beginning of the year	71.32	50.94
Interest cost	4.80	3.82
Current service cost	11.67	9.02
Benefits paid	(6.49)	(4.26)
Actuarial loss / (gain) on obligations	(8.78)	11.80
Present value of obligations as at the end of the year	<u>72.53</u>	<u>71.32</u>
Note: Defined Benefit Obligation includes accrued gratuity of resigned employees amounting to INR 4,80,843.		
<b>b) Table showing changes in the fair value of plan assets</b>		
Fair value of plan assets at the beginning of year	0.11	0.22
Interest income	0.29	0.23
Return on plan assets excluding amounts included in interest income	(0.29)	(0.34)
Contributions	-	-
Fair value of plan assets at the end of the year	<u>0.11</u>	<u>0.11</u>
<b>c) Amounts recognised in the Balance Sheet are as follows:</b>		
Present value of obligation as at the end of the period	72.53	71.32
Fair value of plan assets as at the end of the period	(0.11)	(0.11)
<b>(Surplus) / deficit</b>	<u>72.42</u>	<u>71.21</u>
<b>d) Amounts recognised in the Statement of Profit and Loss are as follows:</b>		
Current service cost	11.67	9.02
Net interest (income) / expense	4.51	3.59
Net periodic benefit cost recognised in the Statement of Profit and Loss at the end of the period	<u>16.19</u>	<u>12.61</u>

**BVG India Limited**

**Notes forming part of the standalone financial statements (continued)**

(All amounts are in Indian Rupees million)

**40 Employee benefits (continued)**

	31 March 2021	31 March 2020
<b>e) Amounts recognised in Other Comprehensive Income (OCI) are as follows:</b>		
Remeasurement for the year - obligation gain / (loss)		
(Gain) / loss from change in demographic assumptions	-	(0.61)
(Gain) / loss from change in financial assumptions	0.44	7.20
Experience (gains) / losses	(9.22)	5.21
Remeasurement for the year - plan assets (gain) / loss	0.29	0.34
<b>Total remeasurements cost / (credit) for the year</b>	<b>(8.49)</b>	<b>12.14</b>

<b>f) Net interest (income) / expense recognised in the Statement of Profit and Loss are as follows:</b>		
Interest (income) / expense - obligation	4.80	3.82
Interest (income) / expense - plan assets	(0.29)	(0.23)
<b>Net interest (income) / expense for the year</b>	<b>4.51</b>	<b>3.59</b>

<b>g) The broad categories of plan assets as a percentage of total plan assets are as follows:</b>		
	%	%
Funds managed by insurer	100	100
<b>Total</b>	<b>100</b>	<b>100</b>

<b>h) Principal actuarial assumptions used in determining gratuity benefit obligations for the Company's plans are as follows:</b>		
	%	%
Discount rate	6.85	6.90
Rate of increase in compensation levels	5.00	5.00
Expected rate of return on plan assets	6.85	6.90
Withdrawal rate	8.00% p.a at younger ages reducing to 1.00% p.a at older ages	8.00% p.a at younger ages reducing to 1.00% p.a at older ages
Mortality rate	Indian Assured Lives Mortality (2012-14) table	

**i) A quantitative sensitivity analysis for significant assumptions is shown as follows:**

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the present value of obligation. Sensitivity analysis is done by varying (increasing/ decreasing) one parameter by 50 basis points (0.5%).

**(a) Impact of change in discount rate when base assumption is decreased / increased by 50 basis points**

Discount rate	Present value of obligation	
	31 March 2021	31 March 2020
Increase by 0.5%	68.29	66.95
Decrease by 0.5%	77.18	76.10

**(b) Impact of change in compensation levels when base assumption is decreased / increased by 50 basis points**

Salary increment rate	Present value of obligation	
	31 March 2021	31 March 2020
Increase by 0.5%	76.75	75.60
Decrease by 0.5%	68.50	67.33

**(c) Impact of change in withdrawal rate when base assumption is decreased / increased by 1000 basis points**

Withdrawal rate	Present value of obligation	
	31 March 2021	31 March 2020
Increase by 10%	73.02	71.84
Decrease by 10%	72.03	70.78

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

**40 Employee benefits (continued)**

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

The average duration of the defined benefit obligation is 13.93 years (March 31, 2020 - 14.58 years).

The Company makes payment of liabilities from its cash and cash equivalents balances whenever liability arises.

The expected maturity analysis of the undiscounted gratuity benefit is as follows:

Defined benefit obligations	Amount (in million)
Within 1 year	4.61
1-2 year	3.38
2-3 year	3.75
3-4 year	3.71
4-5 year	3.31
Year 6 to Year 10	19.20
	<b>37.97</b>

The future accrual is not considered in arriving at the above cash-flows.

**Risk exposure**

These defined benefit plans expose the Company to actuarial risks such as longevity risk, currency risk, interest rate risk and market risk.

**II. For workers:**

The scheme is a non-contributory defined benefit arrangement providing gratuity benefits expressed in terms of final monthly salary and service. The Company's gratuity plan is unfunded. In accordance with the Standard, the disclosures relating to the Company's gratuity plan are provided below:

	31 March 2021	31 March 2020
<b>a) Statement showing changes in present value of obligation</b>		
Present value of obligations at the beginning of the year	312.70	225.12
Interest cost	20.90	16.68
Current service cost	49.65	38.88
Benefits paid	(8.70)	(7.63)
Actuarial loss / (gain) on obligations	76.24	39.65
Present value of obligations as at the end of the year	<b>450.79</b>	312.70
Note: Defined Benefit Obligation includes accrued gratuity of resigned employees amounting to INR 27,793/-.		
<b>b) Table showing changes in the fair value of plan assets</b>		
Fair value of plan assets at the beginning of year	-	2.08
Interest income	-	0.68
Return on plan assets excluding amounts included in interest income	-	0.80
Contributions	-	-
Paid / transfer out	-	(3.56)
Fair value of plan assets at the end of the year	-	-
<b>c) Amounts recognised in the Balance Sheet are as follows:</b>		
Present value of unfunded obligation as at the end of the period	450.79	312.70
Fair value of plan assets as at the end of the year	-	-
<b>(Surplus) / deficit</b>	<b>450.79</b>	312.70
<b>d) Amounts recognised in the Statement of Profit and Loss are as follows:</b>		
Current service cost	49.65	38.88
Net interest (income) / expense	20.90	16.00
Net periodic benefit cost recognised in the Statement of profit and loss at the end of the period	<b>70.55</b>	54.88

**BVG India Limited****Notes forming part of the standalone financial statements (continued)***(All amounts are in Indian Rupees million)***40 Employee benefits (continued)**

	31 March 2021	31 March 2020
<b>e) Amounts recognised in Other Comprehensive Income (OCI) are as follows:</b>		
Remeasurement for the year - obligation gain / (loss)		
(Gain) / loss from change in financial assumptions	2.99	31.53
(Gain) / loss from change in demographic assumptions	-	(0.40)
Experience (gains) / losses	73.25	8.52
Remeasurement for the year - plan assets (gain) / loss	-	(0.80)
<b>Total remeasurements cost / (credit) for the year</b>	<b>76.24</b>	<b>38.85</b>

**f) Net interest (income) / expense recognised in Statement of Profit and Loss are as follows:**

Interest (income) / expense - obligation	20.90	16.68
Interest (income) / expense - plan assets	-	(0.68)
<b>Net interest (income) / expense for the year</b>	<b>20.90</b>	<b>16.00</b>

**g) Principal actuarial assumptions used in determining gratuity benefit obligations for the Company's plans are as follows:**

	%	%
Discount rate	6.85	6.90
Rate of increase in compensation levels	5.00	5.00
Withdrawal rate		
Age up to 25 years	8.00	8.00
Age 26 - 35 years	6.00	6.00
Age 36 - 45 years	4.00	4.00
Age 46 - 55 years	2.00	2.00
Age above 56 years	1.00	1.00

In addition to above, 80% withdrawal rate was assumed for employees with duration of service less than 5 years

Mortality rates

Indian Assured Lives Mortality (2012-14) table

**h) A quantitative sensitivity analysis for significant assumptions is shown as follows:**

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the present value of obligation. Sensitivity analysis is done by varying (increasing/ decreasing) one parameter by 50 basis points (0.5%).

**(a) Impact of change in discount rate when base assumption is decreased / increased by 50 basis points**

Discount rate	Present value of obligation	
	31 March 2021	31 March 2020
Increase by 0.5%	422.11	293.54
Decrease by 0.5%	482.37	333.80

**(b) Impact of change in salary increase rate when base assumption is decreased / increased by 50 basis point**

Salary increment rate	Present value of obligation	
	31 March 2021	31 March 2020
Increase by 0.5%	482.77	334.08
Decrease by 0.5%	421.51	293.12

**(c) Impact of change in withdrawal rate when base assumption is decreased / increased by 1000 basis point**

Withdrawal rate	Present value of obligation	
	31 March 2021	31 March 2020
Increase by 10%	454.76	316.43
Decrease by 10%	446.66	308.84

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

**BVG India Limited****Notes forming part of the standalone financial statements (continued)**

(All amounts are in Indian Rupees million)

**40 Employee benefits (continued)**

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

The weighted average duration of the defined benefit obligation is 15.42 years (March 31, 2020 - 15.51 years).

The Company makes payment of liabilities from its cash and cash equivalents balances whenever liability arises.

The expected maturity analysis of the undiscounted gratuity benefit is as follows:

<b>Defined benefit obligations</b>	<b>Amount (in million)</b>
Within 1 year	<b>26.41</b>
1-2 year	<b>25.21</b>
2-3 year	<b>24.22</b>
3-4 year	<b>23.89</b>
4-5 year	<b>23.06</b>
Year 6 to Year 10	<b>104.41</b>
	<b>227.21</b>

The future accrual is not considered in arriving at the above cash-flows.

**Reconciliation of provision for gratuity:**

	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
As per Actuarial valuation report		
Staffs	72.42	71.21
Workers	450.79	312.70
Accrual for gratuity liability for resigned employees	11.96	-
	<b>535.17</b>	<b>383.91</b>
As per Balance sheet		
Non-current provision	497.30	352.72
Current provision	37.87	31.19
	<b>535.17</b>	<b>383.91</b>

**Risk exposure**

These defined benefit plans expose the Company to actuarial risks such as longevity risk, currency risk, interest rate risk and market risk.

**BVG India Limited****Notes forming part of the standalone financial statements (continued)**

(All amounts are in Indian Rupees million)

**41 Corporate Social Responsibility (CSR) expenditure**

As per provisions of section 135 of Companies Act 2013, the Company was required to spend INR 26.32 million (31 March 2020: 30.97 million) being 2% of average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy on the activities specified in Schedule VII of the Act, which has been provided for in the books. The Company has spent NIL (31 March 2020: 22.63 million) towards activities in line with its CSR policy.

**42 Details of dues to Micro, Small and Medium Enterprises Development Act, 2006**

	31 March 2021	31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
Principal amount due to micro and small enterprises	0.54	0.81
Interest due on above	0.15	0.17
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Payment to supplier beyond the appointed date	-	-
Interest paid on above	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	0.51	0.36

The Company has compiled this information based on intimation received from the suppliers of their status as Micro or Small Enterprises and/ or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006.

**BVG India Limited****Notes forming part of the standalone financial statements (continued)***(All amounts are in Indian Rupees million)***43 Discontinued operations****(a) Description**

On 11 February 2019, the Board of Directors decided to discontinue the Rural Electrification (RE) projects business. While the Company shall not be taking up new RE projects, the ongoing projects shall be completed and the Company will continue to fulfil its obligations towards closed and ongoing projects.

The Company has disclosed a single amount in the Statement of profit and loss comprising the total of the pre and post-tax profit or loss of discontinued operations separately from the results from Continuing operations as per the requirements of Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations. Moreover, the Company has also re-presented the above disclosures for prior periods presented in the financial statements so that the disclosures relate to all operations that have been discontinued by the end of the reporting period for the latest period presented.

**(b) Financial performance**

Financial information relating to the discontinued operation is set out below:

	31 March 2021	31 March 2020
<b>Income</b>		
Revenue from contracts with customers	-	390.69
Other income	<b>0.28</b>	19.31
<b>Total income</b>	<b>0.28</b>	410.00
<b>Expenses</b>		
Cost of materials consumed	<b>7.95</b>	322.31
Operating and other expenses	<b>292.81</b>	190.68
Employee benefits expense	<b>5.30</b>	-
Finance costs	<b>2.64</b>	0.02
Depreciation and amortisation expense	<b>0.36</b>	2.00
<b>Total expenses</b>	<b>309.06</b>	515.01
<b>Profit before tax from discontinued operations (A)</b>	<b>(308.78)</b>	(105.02)
<b>Tax expenses</b>		
Current tax (B)	-	58.37
Deferred tax (C)	<b>(96.10)</b>	(170.09)
<b>Profit from discontinued operations A-(B+C)</b>	<b>(212.68)</b>	6.70
<b>Total comprehensive income from discontinued operations</b>	<b>(212.68)</b>	6.70
<b>(c) Net cash flow from discontinued operations</b>		
- Net cash flow from operating activities	<b>(59.83)</b>	413.64

**BVG India Limited**  
**Notes forming part of the standalone financial statements (continued)**  
*(All amounts are in Indian Rupees million)*

**44 Assets classified as held for sale and liabilities directly associated with assets classified as held for sale**

	<b>31 March 2021</b>	31 March 2020
<b>Assets classified as held for sale</b>		
Freehold land held for sale	<b>149.94</b>	137.40
<b>Liabilities directly associated with assets classified as held for sale</b>		
Advances received	<b>87.49</b>	43.00

In November 2013, the Company had entered into a memorandum of understanding with a third party to acquire certain parcels of land in Bengaluru, with the intention of building residential colony for its employees. Payments made were disclosed as capital advances in the financial statements of earlier years.

During the previous financial year, the Company decided not to proceed with construction of the colony and to sell the said parcels of land. Consequently, in September 2018, the Company entered into a memorandum of understanding to sell the same.

The land has been disclosed as assets classified as held for sale and the advances received by the Company towards sale of land has been disclosed as liabilities directly associated with assets classified as held for sale

**BVG India Limited****Notes forming part of the standalone financial statements (continued)***(All amounts are in Indian Rupees million)***45 Financial instruments: Fair values and risk management****A Accounting classifications and fair value measurements**

As per assessments made by the management, fair values of financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short term nature or the interest rates applicable are equal to the current market rate of interest.

The Company has elected to measure certain equity instruments at 'Fair value through other comprehensive income (FVTOCI)'.

Refer note 2.26 'Fair value measurement' of significant accounting policies for fair value hierarchy.

Sr. No.	Particulars	Carrying value	
		31 March 2021	31 March 2020
<b>Level 1 financial instruments</b>			
I	<b>Financial asset</b>		
a)	<b>Carried at fair value through profit and loss</b>		
	Investments in mutual funds	30.29	-
<b>Level 2 financial instruments</b>			
I	<b>Financial asset</b>		
a)	<b>Carried at amortised cost</b>		
	Investments	0.45	0.38
	Loans	187.83	237.59
	Other financial assets	3,391.75	3,343.78
	Trade receivables	8,868.13	8,737.16
	Cash and cash equivalents	592.02	783.13
	Other bank balances	582.23	527.62
b)	<b>Carried at fair value through other comprehensive income (FVTOCI)</b>		
	Unquoted non-trade equity investments	1.06	1.06
II	<b>Financial liabilities</b>		
a)	<b>Carried at amortised cost</b>		
	Borrowings (including current maturities)	5,338.59	6,087.23
	Trade payables	1,216.63	1,309.94
	Lease liability	102.90	116.12
	Other financial liabilities	1,569.21	1,492.35

**B Valuation techniques****For level 1 instruments**

Quoted prices (unadjusted) in active markets for identical assets or liabilities

**For level 2 instruments**

The following table shows the valuation techniques used in measuring Level 2 fair values for financial instruments measured at fair value and through Other Comprehensive Income in the Balance Sheet. Related valuation processes are described in Note 2.26.

Sr.No	Type	Valuation technique
1	Financial assets and liabilities	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using risk-adjusted discount rate

**BVG India Limited****Notes forming part of the standalone financial statements (continued)***(All amounts are in Indian Rupees million)***45 Financial instruments: Fair values and risk management (continued)****C Financial risk management policy and objectives**

The Company's principal financial liabilities comprise of borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include investments, loans, trade receivables, cash and cash equivalents, other bank balances and other financial assets that is derived directly from its operations.

The Company's risk management is carried out by the management under policies approved by the board of directors. The Company's treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, credit risk, and liquidity risk. The Company, through its training and management standards and procedures, aims to maintain a discipline and constructive control environment in which all employees understand their roles and obligations. The Company is not exposed to interest rate risk since the Company has fixed interest rate borrowings.

In order to minimise any adverse effects on the financial performance of the Company, it has taken various measures. This note explains the source of risk which the entity is exposed to and how the entity manages the risk and impact of the same in the financial statements.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit risk	Cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets measured at amortised cost.	Ageing analysis, external credit rating (wherever available)	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings, trade payables and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Sensitivity analysis	Management follows established risk management policies.

**(A) Credit risk**

Credit risk in case of the Company arises from cash and cash equivalents, deposits with banks, loans, other financial assets and credit exposures to customers including outstanding trade receivables.

**Credit risk management**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward looking information such as:

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty,
- (iii) Financial or economic conditions that are expected to cause a significant change to counterparty's ability to meet its obligations,
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty,
- (v) Significant changes in the value of collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

The Company provides for lifetime Expected Credit Loss (ECL) in case of trade receivables. In case of all other financials assets, the Company applies 12-month expected credit loss model. The Company uses an allowance matrix to measure the expected credit loss of trade receivables.

**BVG India Limited****Notes forming part of the standalone financial statements (continued)***(All amounts are in Indian Rupees million)***45 Financial instruments: Fair values and risk management (continued)****Expected credit loss for receivables**

Under Indian GAAP, provision for doubtful debts is recognised on an incurred credit loss model. Under Ind AS, such provision is recognised on an expected credit loss model.

The Company uses a provision matrix to determine impairment loss of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables. At every reporting date, the historically observed default rates are updated, and changes in estimates are analysed.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances. The Company's customer profile include state and central government bodies, public sector enterprises, state owned companies and private customers. General payment terms entail monthly progress payments with a credit period ranging from 30 to 180 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank/ corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Credit risk on trade receivables and unbilled work-in-progress is limited as the customers of the Company mainly consist of the government promoted entities having a strong credit worthiness. The credit period considered in the expected credit loss model for such entities is based on the past trend of receipts. The provision matrix takes into account available external and internal credit risk factors such as Company's historical experience for customers.

Financial assets for which loss allowance is measured using expected credit loss model:

<b>Exposure to risk</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
Trade receivables	<b>10,832.71</b>	10,283.50
Less: Expected credit loss	<b>(1,964.58)</b>	(1,546.34)
	<b>8,868.13</b>	8,737.16
Retention money	<b>1,032.73</b>	1,023.39
Less: Expected credit loss	-	-
	<b>1,032.73</b>	1,023.39
Other loans and advances	<b>72.84</b>	76.50
	<b>72.84</b>	76.50

**Reconciliation of loss allowance**

	<b>Amount</b>
<b>Loss allowance as at 1 April 2019</b>	(1,370.84)
Amounts written off	-
Allowance during the year	(175.50)
<b>Loss allowance as at 31 March 2020</b>	(1,546.34)
Amounts written off	-
Allowance during the year	<b>(418.24)</b>
<b>Loss allowance as at 31 March 2021</b>	<b>(1,964.58)</b>

**BVG India Limited****Notes forming part of the standalone financial statements (continued)***(All amounts are in Indian Rupees million)***45 Financial instruments: Fair values and risk management (continued)****(B) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next six months. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. In addition, the Company's liquidity management policy involves considering the level of liquid assets necessary to meet the expected cash flows, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

<b>Exposure to risk</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
<b>Borrowings</b>		
Less than 1 year	<b>4,584.42</b>	5,098.46
More than 1 year	<b>504.73</b>	693.54
<b>Total</b>	<b>5,089.15</b>	5,792.00
<b>Trade payables</b>		
Less than 1 year	<b>1,216.63</b>	1,309.94
More than 1 year	-	-
<b>Total</b>	<b>1,216.63</b>	1,309.94
<b>Other financial liabilities</b>		
Less than 1 year	<b>1,818.65</b>	1,787.58
More than 1 year	-	-
<b>Total</b>	<b>1,818.65</b>	1,787.58
<b>Lease liabilities</b>		
Less than 1 year	<b>16.61</b>	16.33
More than 1 year	<b>86.29</b>	99.79
<b>Total</b>	<b>102.90</b>	116.12
<b>Contractual undiscounted cash flows</b>		
Less than 1 year		
More than 1 year		
<b>Total</b>	-	-

**BVG India Limited****Notes forming part of the standalone financial statements (continued)***(All amounts are in Indian Rupees million)***45 Financial instruments: Fair values and risk management (continued)****C Financial risk management policy and objectives (continued)****(C) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies to mitigate the risk.

**Foreign currency exposure:**

Financial assets	Currency	Amount in foreign currency (absolute amounts)		Amount in INR	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Trade receivables	USD	-	-	-	-
Cash balance	USD	643.00	643.00	0.05	0.05
	RMB	3,007.00	3,007.00	0.03	0.03
	HKD	1,102.00	1,102.00	0.01	0.01
	AED	1,800.00	2,300.00	0.04	0.05
	EUR	320.00	320.00	0.03	0.03

Financial liabilities	Currency	Amount in foreign currency (absolute amounts)		Amount in INR	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Trade payables	GBP	-	57,337.00	-	4.10

**Currency wise net exposure ( assets -liabilities )**

	Amount in foreign currency (absolute amounts)		Amount in INR	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
USD	643.00	643.00	0.05	0.05
RMB	3,007.00	3,007.00	0.03	0.03
HKD	1,102.00	1,102.00	0.01	0.01
AED	1,800.00	2,300.00	0.04	0.05
GBP	-	(57,337.00)	-	(4.10)
EUR	320.00	320.00	0.03	0.03

**Sensitivity analysis**

Currency	Amount in INR		Sensitivity %	Impact on profit (strengthen)		Impact on profit (weakening)	
	31 March 2021	31 March 2020		31 March 2021	31 March 2020	31 March 2021	31 March 2020
USD	0.05	0.05	5.00%	0.00*	0.00	(0.00)*	(0.00)
RMB	0.03	0.03	5.00%	0.00*	0.00	(0.00)*	(0.00)
HKD	0.01	0.01	5.00%	0.00*	0.00	(0.00)*	(0.00)
AED	0.04	0.05	5.00%	0.00*	0.00	(0.00)*	(0.00)
GBP	-	(4.10)	5.00%	-	(0.20)	-	0.20
EUR	0.03	0.03	5.00%	0.00*	0.00	(0.00)*	(0.00)
<b>Total</b>	<b>0.16</b>	<b>(3.93)</b>		<b>0.01</b>	<b>(0.20)</b>	<b>(0.01)</b>	<b>0.20</b>

(USD - US Dollar, RMB - Yuan, HKD - Hong Kong Dollar, AED - Arab Emirates Dirham, EUR - Euro, GBP - British Pounds)

\* Since denominated in INR million

**46 Capital management****Risk management**

The Company's objectives when managing capital are to

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of the following ratio: Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet).

	31 March 2021	31 March 2020
Borrowings	5,089.15	5,792.00
Less: Cash and cash equivalents and other bank balances	1,174.25	1,310.75
Net debt	3,914.90	4,481.25
Equity	7,803.87	6,937.93
<b>Debt to equity ratio</b>	<b>50%</b>	<b>65%</b>

**BVG India Limited****Notes forming part of the standalone financial statements (continued)***(All amounts are in Indian Rupees million)***47 Revenue from contracts with customers****A. Revenue streams**

Particulars	31 March 2021	31 March 2020
<b>Revenue from contracts with customers</b>		
Facility services revenue	16,236.98	19,168.71
Facility projects revenue	392.36	66.09
Rural Electrification (discontinued)	-	390.69
<b>Other operating revenue</b>		
Interest income under effective interest method on deposits with banks and others	37.27	39.86
Foreign exchange fluctuation gain (net)	1.73	0.03
Finance income on lease receivables	20.26	48.56
Interest income on financial assets at amortised cost	-	8.71
Miscellaneous income	6.66	3.33
	<b>65.92</b>	<b>100.48</b>
	<b>16,695.26</b>	<b>19,725.98</b>

**Disaggregation of revenue streams**

The Company is engaged in the business of mechanized housekeeping, transportation, labour supply, facility management, maintaining ambulances and providing support services in operating such ambulances, running vehicles on hire etc.

The Company is also engaged in the business of horticultural & landscaping contracts, LED street lights installation and maintenance, etc.

Particulars	31 March 2021	31 March 2020
<b>Revenue from contracts with customers</b>		
Facility services revenue	16,236.98	19,168.71
Facility projects revenue	392.36	66.09
Rural Electrification (discontinued)	-	390.69
<b>Total revenue</b>	<b>16,629.34</b>	<b>19,625.49</b>

Particulars	31 March 2021	31 March 2020
<b>Timing of revenue recognition</b>		
Services transferred at a point in time	-	390.69
Services Transferred over time	16,629.34	19,234.80
<b>Total revenue</b>	<b>16,629.34</b>	<b>19,625.49</b>

**48 Estimated uncertainty relating to COVID-19 outbreak**

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on 11 March 2020. In response, the Indian government have taken various actions and ensured many precautionary measures which posed significant disruption to business operations and adversely impacting most of the industries which has resulted in global slowdown.

The full extent and duration of the impact of COVID-19 on the Company's operations and financial performance is currently unknown, and depends on future developments that are uncertain and unpredictable, including the duration and spread of the pandemic and any new information that may emerge concerning the severity of the virus, its spread to other regions and the actions to contain the virus or treat its impact, among others. Any of these outcomes could have a material adverse impact on Company's business, financial condition, results of operations and cash flows for the year ended 31 March 2021 and thereafter. Management currently believes that it has adequate liquidity and business plans to continue to operate the business and mitigate the risks associated with COVID-19 for the next 12 months from the date of these Financial Statements.

**49 Social Security Code**

The Code on Social Security 2020 ('the Code') relating to employee benefits, during employment and post-employment, has received Presidential assent on 28 September 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on 13 November 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

**50 Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2021.

As per our report of even date attached

**For MSKA & Associates**  
Chartered Accountants  
Firm Registration Number: 105047W

**For and on behalf of the Board of Directors of**  
**BVG India Limited**  
CIN: U74999PN2002PLC016834

**Nitin Manohar Jumani**  
Partner  
Membership No.: 111700

**Hanmantrao Gaikwad**  
Chairman &  
Managing Director  
DIN: 01597742

**Umesh Mane**  
Vice Chairman &  
Jt. Managing Director  
DIN: 01597365

**Manoj Jain**  
Chief Financial Officer

**Rajni Pamnani**  
Company Secretary  
Mem. No.: F-11018

Pune, June 18, 2021

Pune, June 18, 2021