

INDEPENDENT AUDITOR'S REPORT

To The Members of Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A". Our report expresses an unmodified opinion on the adequacy and operating



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effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in Note 28.1 of financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



P Usha Parvathy
Partner
Membership No. 207704
UDIN: 21207704AAAADA4879

Place: Chennai
Date: 20 October, 2021



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private Limited)** ("the Company") as of March 31, 2021, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on "the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No.117366W/W-100018)



P Usha Parvathy

Partner

Membership No. 207704

UDIN: 21207704AAAADA4879

Place: Chennai
Date: 20 October, 2021



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the property, plant and equipment.
 - (b) The property, plant and equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The company does not have any immovable properties of land and buildings which are freehold and hence reporting under clause (i) of CARO 2016 is not applicable. In respect of immovable properties of buildings that have been taken on lease and disclosed as Right of Use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) The inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed during physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees and hence, reporting clause (iv) of CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence compliance with the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted is not applicable to the company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013, in respect of specified products of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



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- (vii) According to the information and explanations given to us, in respect of statutory dues:
- The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs duty, Cess and other material statutory dues applicable to it to the appropriate authorities.
 - There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
 - Details of dues of Income Tax, Service Tax, Excise Duty, Sales Tax, Value Added Tax and Goods and Services Tax, Customs duty as on March 31, 2021 on account of disputes are given below.

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which amount Relates	Amount (Rs in Lakhs).
Customs Act, 1962	Customs Duty	CESTAT Appeal	2018-19	11,335.58*

* Net of Rs. 919.10 Lakhs paid under protest

- In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.
- The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.
- To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- The Company is a private Company and hence the provisions of Section 197 of the Companies Act, 2013 do not apply to the company.
- The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.
- In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause of CARO 2016 is not applicable to the Company.



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- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)



P Usha Parvathy
Partner
Membership No.207704
UDIN: 21207704AAAADA4879

Place: Chennai
Date: 20 October, 2021



Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)

Balance Sheet as at 31 March 2021

(All amounts in INR Lakhs, except share data or as otherwise stated.)

Particulars	Note No.	As at	As at
		31 March 2021	31 March 2020
		Rs.	Rs.
A ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	5A	75,434.71	71,271.54
(b) Right of use assets	5B	5,820.04	5,314.23
(c) Capital work-in-progress		939.17	7,494.47
(d) Financial assets			
(i) Other financial assets	6	5,081.32	5,966.54
(e) Non-current tax assets (net)	7	-	7,810.18
(f) Deferred tax assets (net)	34.4	2,304.82	1,898.93
(g) Other non-current assets	8	570.83	640.45
Total non-current assets		90,150.89	1,00,396.34
2 Current Assets			
(a) Inventories	9	2,47,603.94	2,18,978.85
(b) Financial assets			
(i) Trade receivables	10	3,60,876.44	3,76,892.97
(ii) Cash and cash equivalents	11A	86,128.24	1,14,634.57
(iii) Bank balances other than (ii) above	11B	1,100.00	
(iv) Loans	12	1,520.28	1,563.30
(v) Other financial assets	13	1,142.53	1,144.31
(c) Other current assets	14	82,686.78	48,704.90
Total current assets		7,81,058.21	7,61,918.90
Total Assets		8,71,209.10	8,62,315.24
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	15	2,38,094.50	2,38,094.50
(b) Other equity	15.5	45,479.04	29,293.31
Total Equity		2,83,573.54	2,67,387.81
2 Non-current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	32	5,172.34	4,499.59
(b) Provisions	16	895.92	664.98
Total non-current liabilities		6,068.26	5,164.57
3 Current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	32	941.73	999.54
(ii) Trade payables	17		
(A) Total outstanding dues of micro enterprises and small enterprises (Refer Note 28.2)		491.92	122.80
(B) Total outstanding of dues and creditors other than micro enterprises and small enterprises		5,23,877.53	5,64,243.41
(iii) Other financial liabilities	18	9,862.58	2,938.44
(b) Provisions	19	4,746.96	835.45
(c) Other Current liabilities	20	41,646.58	20,623.19
Total current liabilities		5,81,567.30	5,89,762.86
Total Liabilities		5,87,635.56	5,94,927.43
Total Equity and Liabilities		8,71,209.10	8,62,315.24
See accompanying notes to the financial statements			
Significant accounting policies	2		

In terms of our report attached
For Deloitte Haskins & Sells LLP
 Chartered Accountants
 Firm Reg. No: 117366W/W - 100018

P. Usha Parvathy

P Usha Parvathy
 Partner
 M.No: 207704
 Place: CHENNAI
 Date: 20.10.2021

For and on behalf of the Board of Directors
Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private Limited)

Kam Wah Danny Tam
Kam Wah Danny Tam
 Director
 DIN: 09229307
 Place: Taipei
 Date: 20.10.2021

Hui Chung Chen
Hui Chung Chen
 Director
 DIN: 09235250
 Place: Taipei
 Date: 20.10.2021

Ramachandran Kunnath
Ramachandran Kunnath
 Company Secretary
 M.No: A57817
 Place: Sunguvachattam
 Date: 20.10.2021



Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)
Statement of Profit and Loss for the year ended 31 March 2021
 (All amounts in INR Lakhs, except share data or as otherwise stated)

Particulars	Note No.	For the year ended	For the year ended
		31 March 2021	31 March 2020
		Rs.	Rs.
1 Revenue from operations	21	15,85,485.82	26,63,555.84
2 Other income	22	5,179.90	3,376.82
3 Total Income (1+2)		15,90,665.72	26,66,932.66
4 Expenses			
(a) Cost of materials consumed	23	14,63,503.17	24,66,545.95
(b) Changes in inventories of finished goods and work-in-progress	24	5,802.24	23,264.24
(c) Employee benefits expense	25	29,998.20	27,575.41
(d) Finance costs	26	2,361.08	2,812.56
(e) Depreciation and amortisation expenses	5	21,861.49	22,554.42
(f) Other Expenses	27	47,489.04	76,842.60
Total Expenses		15,71,015.22	26,19,595.18
5 Profit before tax (3 - 4)		19,650.50	47,337.48
6 Tax expense:			
(a) Current tax	34.1	7,085.75	10,266.21
(b) Adjustment of Current Tax Relating to Earlier Years		(573.35)	-
(c) Deferred tax (net)		(3,053.48)	(1,900.06)
		3,458.92	8,366.15
7 Profit For The Year (5 - 6)		16,191.58	38,971.33
8 Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
(a) remeasurement of the defined benefit plans		(7.82)	3.75
(ii) Income tax relating to items that will not be reclassified to profit or loss	34.3	1.97	(1.31)
Total other comprehensive income		(5.85)	2.44
9 Total comprehensive income/(Loss) (7 + 8)		16,185.73	38,973.77
10 Earnings Per Share			
- Basic		0.68	2.08
(Face Value of Rs. 10 each as at 31st March 2021)			
(Face value of Rs. 100 each as at 31st March 2020)			
- Diluted	33	0.68	2.08
(Face Value of Rs. 10 each as at 31st March 2021)			
(Face value of Rs. 100 each as at 31st March 2020)			

See accompanying notes to the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
 Chartered Accountants
 Firm Reg. No:117366W/W - 100018

P. Usha Parvathy

P Usha Parvathy
 Partner
 M.No: 207704
 Place: CHENNAI
 Date: 20.10.2021

For and on behalf of the Board of Directors
Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)

Kam Wah Danny Tam

Kam Wah Danny Tam
 Director
 DIN: 09229307
 Place: Taipei
 Date: 20.10.2021

Hui Chung Chen

Hui Chung Chen
 Director
 DIN: 09235250
 Place: Taipei
 Date: 20.10.2021

Ramachandran Kunnath

Ramachandran Kunnath
 Company Secretary
 M.No: A57817
 Place: Sunguvachattaram
 Date: 20.10.2021



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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private Limited)
Cash Flow Statement for the year ended 31 March 2021
 (All amounts in INR Lakhs, except share data or as otherwise stated)

Particulars	For the year ended	For the year ended
	31 March 2021	31 March 2020
	Rs.	Rs.
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	19,650.50	47,337.48
<i>Adjustments for</i>		
Depreciation and Amortisation Expense	21,861.49	22,554.42
Interest and Finance Charges paid (including interest towards lease liabilities)	2,361.08	2,812.56
Loss on Property, Plant & Equipment Sold / Scrapped / Written off (Net)	2,448.27	369.53
Interest Income from Bank Deposits & Others	(4,197.80)	(3,376.82)
Provision No Longer Required Written back	(968.61)	-
Profit on termination of leases	(13.49)	-
Provision for Other Receivable	344.74	-
Unrealised Exchange Loss / (gain) (net)	405.51	9,014.78
Operating Profit Before Working Capital/Other Changes	41,891.69	78,711.96
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Inventories	(28,625.08)	90,661.01
Trade Receivables	16,016.54	(17,588.16)
Other Non Current Financial Assets	885.22	(1,315.99)
Loans (Current Financial Assets)	43.02	(716.56)
Other Current Financial Assets	(280.00)	(234.10)
Other Current and Non Current Assets	(33,912.25)	(169.97)
<i>Adjustments for increase/(decrease) in operating liabilities:</i>		
Trade Payables	(39,433.69)	(30,694.37)
Other Financial Liabilities (Current)	6,924.14	(8,167.35)
Other Liabilities (Current and Non-Current)	21,023.39	(706.39)
Provisions (Current and Non-Current)	492.50	692.84
Cash Generated from/ (Used in) Operations	(14,974.52)	1,10,472.91
Direct Taxes Paid (net)	7,367.27	(321.78)
Net Cash Generated from/ (Used in) Operating Activities	(7,607.25)	1,10,151.13
II. CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure (including capital advances, net of Payables on purchase of Property, Plant & Equipment) - Net	(19,379.93)	(20,545.85)
Increase in deposit Balances not considered as Cash & Cash equivalents	(1,100.00)	-
Interest received on Bank Deposits & Others	4,134.84	3,376.82
Net Cash Used in Investing Activities	(16,345.09)	(17,169.03)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Short Term Borrowings (net)	-	(1,06,620.12)
Proceeds from issue of equity shares	-	71,500.00
Payment of Lease Liabilities	(3,248.03)	(3,475.65)
Interest and Finance Charges paid	(1,305.96)	(2,265.92)
Net Cash (Used in)/Generated from Financing Activities	(4,553.99)	(40,862.69)
IV. Net Increase in Cash and Cash Equivalents (I + II + III)	(28,506.33)	52,119.42
V. Cash and Cash Equivalents at the Beginning of the Year	1,14,634.57	62,515.16
VI. Cash and Cash Equivalents at the End of the Year (Refer Note 11A)	86,128.24	1,14,634.57
VII. Reconciliation for Cash and Cash Equivalents	86,128.24	1,14,634.57
(a) Cash on Hand	0.45	0.45
(b) Balances with Banks		
(i) In Current Accounts	5,827.79	3,134.12
(ii) In Deposit Accounts		
Original maturity less than 3 months	80,300.00	1,11,500.00
	86,128.24	1,14,634.57

See accompanying notes to the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
 Chartered Accountants
 Firm Reg. No:117366W/W 100018

For and on behalf of the Board of Directors
Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)



P. Usha Parvathy
 Partner

M.No: 207704

Place: CHENNAI

Date: 20.10.2021

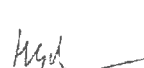


Kam Wah Danny Tam
 Director

DIN: 09229307

Place: Taipei

Date: 20.10.2021



Hui Chung Chen
 Director

DIN: 09235250

Place: Taipei

Date: 20.10.2021



Ramachandran Kunnath
 Company Secretary

M.No: A57817

Place: Sunguvachattaram

Date: 20.10.2021



Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)

Statement of Changes in Equity for the year ended 31 March 2021

(All amounts in INR Lakhs, except share data or as otherwise stated)

A. Equity share capital (Refer Note 15)

Particulars	Rs.
Balance as at 31 March 2019	1,66,594.50
Changes in equity share capital during the year 2019-20	71,500.00
Balance as at 31 March 2020	2,38,094.50
Changes in equity share capital during the year 2020-21	-
Balance as at 31 March 2021*	2,38,094.50

* - During the year, the Board of directors in their meeting held on 8th May 2020 and the members of the Company in the extraordinary general meeting held on 29th May 2020, approved the sub-division of equity shares from face value of Rs. 100/- per share into face value of Rs. 10/- each. Consequently the number of shares in the authorised capital has increased from 239,810,000 of Rs.100/- each to 2,398,100,000 of Rs.10/- each and the number of shares in the issued, subscribed, paid up share capital has increased from 238,094,498 of Rs.100/- each to 2,380,944,980 of Rs.10/- each.

- Number of shares outstanding as on 31st March 2021 is 2,380,944,980

B. Other Equity

Particulars	Reserves and Surplus	Items of Other Comprehensive Income	Total Rs.
	Retained Earnings Rs.	Remeasurement of the defined benefit plans	
Balance as at 31 March 2019	(9,668.53)	(11.93)	(9,680.46)
Profit for the year 2019-20	38,971.33	-	38,971.33
Other comprehensive income/ (loss) for the year 2019-20	-	3.75	3.75
Income tax on items in other comprehensive income/ (loss) for the year 2019-20	-	(1.31)	(1.31)
Total comprehensive income/(loss) for the year 2019-20	38,971.33	2.44	38,973.77
Balance as at 31 March 2020	29,302.80	(9.49)	29,293.31
Profit for the year 2020-21	16,191.58	-	16,191.58
Other comprehensive income/ (loss) for the year 2020-21	-	(7.82)	(7.82)
Income tax on items in other comprehensive income/ (loss) for the year 2020-21	-	1.97	1.97
Total comprehensive income/(loss) for the year 2020-21	16,191.58	(5.85)	16,185.73
Balance as at 31 March 2021	45,494.38	(15.34)	45,479.04

See accompanying notes to the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Reg. No:117366W/W - 100018

For and on behalf of the Board of Directors
Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)



P Usha Parvathy
Partner
M.No: 207704
Place: CHENNAI
Date: 20.10.2021



Kam Wah Danny Tam
Director
DIN: 09229307
Place: Taipei
Date: 20.10.2021



Hui Chung Chen
Director
DIN: 09235250
Place: Taipei
Date: 20.10.2021



Ramachandran Kunnath
Company Secretary
M.No: A57817
Place: Sunguvachattam
Date: 20.10.2021



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1 Corporate information

Bharat FIH Private Limited (formerly known as Rising Stars Mobile India Private Limited) ("the Company") was incorporated on May 1, 2015 with its principal place of business in Andhra Pradesh, India. The Company is in the business of manufacturing mobile phones. The Company operates in Sricity, Andhra Pradesh, Navi Mumbai Maharashtra and Sunguvachatram, Tamil Nadu and caters to the domestic mobile market.

The name of the Company has been changed to Bharat FIH Private Limited with effect from 30th June 2021.

2 Significant accounting Policies

2.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the 2013 Act.

Application of new and revised Indian Accounting Standards (Ind AS) :

Amendment to Ind AS 116 - Leases

The Ministry of Corporate Affairs (MCA) issued amendments to Ind AS 116, "Leases", provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The Company does not have any lease modifications and concluded that this amendment is not applicable.

Amendments to Ind AS 1 and Ind AS 8 - Definition of "material"

The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency. The Company has evaluated the effect of this amendment on the financial statements and concluded that this amendment is currently not applicable.

Amendments to Ind AS 103 - Definition of a business

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired. The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 April 2020. The Company does not have any business combinations in the current year and consequently these amendments do not have any impact on these financial statements.

2.2 Basis of Preparation and Presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- (i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- (ii) Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- (iii) Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Inventories

Inventories are valued at the lower of cost and net realisable value.

The cost of raw materials, components, consumable stores and spare parts and stock in trade are determined on a weighted average basis.

Cost includes freight, taxes and duties and other charges incurred for bringing the goods to the present location and condition and is net of credit under the cenvat scheme and GST, where applicable.

The valuation of manufactured finished goods and work-in-progress includes the combined cost of material, labour and manufacturing overheads incurred in bringing the goods to the present location and condition.

Due allowance is estimated and made by the Management for slow moving/ non-moving items and defective items of inventory, wherever necessary, based on the past experience and such allowances are adjusted against the carrying inventory value.

2.4 Cash and Cash Equivalents (for the purpose of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash Flow Statement

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



2.6 Revenue Recognition

The Company derives revenue primarily from sale of manufactured mobile phones. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenues and costs relating to sales contracts are recognized as the related goods are delivered, and titles have passed, at which time all the following conditions are satisfied:-

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transactions can be measured reliably.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Other Claims

Recovery claims are accounted for as and when there is no uncertainty in realizing the same.

Interest Income

Interest income from a financial asset is recognised when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable. The effective interest rate method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form part of an integral part of the effective interest, transaction costs and other premium or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

2.7 Property, Plant and Equipment ("PPE")

Cost of Properties includes import duties and non-refundable taxes, professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Any part or components of Property, Plant and Equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised separately, based on the technical assessment of the management.

Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalised, where there is a certainty of deriving future economic benefits from the use of such assets.

Capital Work-in-Progress:

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss.

Depreciation:

Depreciation on property, plant and equipment is provided on the straight line method, pro-rata from the month of capitalisation over the period of use of the assets, assessed as below:

Particulars	Useful Lives
Plant and Equipments	
- Jigs and Fixtures	1 Year to 2 Years
- Others	3 Years to 10 Years
Furniture and Fittings	5 Years
Office and Other Equipments	5 Years
Data Processing Equipments	3 Years to 5 Years
Leasehold Improvements	Amortised over the primary lease period or estimated useful life, whichever is less

Individual PPE costing less than Rs. 20,000 each are depreciated in the month of purchase considering the type and usage pattern of these assets.

The useful lives mentioned above are different from the useful lives specified for these assets, where applicable, as per Schedule II of the Companies Act, 2013. The useful lives followed in respect of these assets are based on Management's assessment, based on technical advice, taking into account factors such as the nature of the assets, the estimated usage pattern of the assets, the operating conditions, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation is accelerated on Property, Plant and Equipment, based on their condition, usability, etc. as per the technical estimates of the Management, where necessary.

Derecognition of Property, Plant and Equipment:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.



2.8 Foreign Currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the date the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise, except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

2.9 Government Grants and Export Benefits

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

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in the Statement of Profit and Loss in the period in which they became receivable.

The benefit of a government loan at a below-market rate interest is treated as a government grant, measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates.

Export benefits in the nature of duty drawback are recognised in the Statement of Profit and Loss in the year of exports based on eligibility/expected eligibility duly considering the entitlements as per the policy, industry specific developments, interpretations arising out of judicial/regulatory proceedings where applicable, management assessment etc. and when there is no uncertainty in receiving the same.

Export benefits in the nature of Merchandise Exports from India Scheme (MEIS) under Foreign Trade Policy are recognised in the Statement of Profit and Loss when there is no uncertainty in receiving / utilizing the same, taking into consideration the prevailing regulations.

Adjustments, if any, to the amounts recognised in accordance with the accounting policy, based on final determination by the authorities, are dealt with appropriately in the year of final determination and acceptance.

2.10 Financial Instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

2.11 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets:

Financial instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

Financial instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

Changes in the carrying amount of FVTOCI monetary financial assets relating to changes in foreign currency rates are recognised in profit or loss. Other changes in the carrying amount of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of "Reserve for debt instruments through other comprehensive income". When the investment is disposed off or is determined to be impaired, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.



Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the life-time expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life-time cash shortfalls that will result if the default occurs within the 12 months after reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measures the loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in risk of default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the date of initial recognition.

For trade receivables or any contractual right to receive cash or other financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

De-recognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains and losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.
- Changes in carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains or losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.12 Financial liabilities and equity instruments

Classification as a debt or equity:

Debt and equity instruments issued by the Company as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial Liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company are measured in accordance with the specific accounting policies set out below.



Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on amortised cost of the instruments and are recognised in the Statement of Profit and Loss.

The fair value of the financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses recognised in the Statement of profit and Loss.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.13 Employee Benefits

Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actuarial deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees upto the reporting date.



2.14 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right of use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.15 Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and

2.16 Taxation

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year ,

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

MAT Credit:

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.



2.17 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.18 Provisions and Contingencies

Provisions are recognized when the Company has a present obligation (legal/ constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Contingent Liability:

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

2.19 Segment Reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature, of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

2.20 Goods and Services Tax Input Credit

Goods and Services tax input credit is accounted for in the books during the period when the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

2.21 Insurance Claims

Insurance claims are accrued for on the basis of claims admitted and to the extent there is no uncertainty in receiving the claims.

3 Operating Cycle

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

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the Directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods.

The following are the areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Useful lives of Property, plant and equipment (Refer Note 2.7)
- Provision for taxation (Refer Note 2.16)
- Fair value of financial assets and financial liabilities (Refer Notes 2.11 and 2.12)
- Provision for inventory obsolescence (Refer Note 2.3)

Determination of functional currency:

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (INR) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (INR).



Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)
Notes to the financial statements for the year ended 31 March 2021
(All amounts in Lakhs, except share data or as otherwise stated)

Note 5A Property, Plant and Equipment

I. Current Year

Property, Plant and Equipment - Owned/ Acquired	Gross Block			Accumulated Depreciation			Net Block		
	Balance as at 1 April 2020 Rs.	Additions Rs.	Disposals/ Adjustments Rs.	Balance as at 31 March 2021 Rs.	Balance as at 1 April 2020 Rs.	Depreciation Expense for the Year Rs.	Elimination on Disposal/ Adjustments of Assets Rs.	Balance as at 31 March 2021 Rs.	Balance as at 31 March 2020 Rs.
(a) Plant and Equipment	80,157.44	40,470.11	1,334.76	99,292.59	24,026.66	13,465.94	1,267.48	64,065.27	56,130.38
(b) Furniture and Fixtures	1,733.95	69.37	-	1,803.32	918.79	213.25	-	471.28	655.16
(c) Office and Other Equipments	733.27	362.27	0.01	1,095.53	425.70	139.33	0.01	530.51	307.57
(d) Data Processing Equipments	8,051.94	630.50	0.07	8,682.37	3,674.86	1,600.29	0.07	3,407.29	4,377.08
(e) Leasehold Improvements	18,729.03	1,686.73	632.37	19,783.99	8,887.66	3,569.72	632.37	7,958.36	9,841.35
Total	1,09,205.43	23,218.98	1,967.21	1,30,457.20	37,933.89	18,988.53	1,893.93	75,434.71	71,271.54

II. Previous Year

Property, Plant and Equipment - Owned/ Acquired	Gross Block			Accumulated Depreciation			Net Block		
	Balance as at 1 April 2019 Rs.	Additions Rs.	Disposals/ Adjustments Rs.	Balance as at 31 March 2020 Rs.	Balance as at 1 April 2019 Rs.	Depreciation Expense for the Year Rs.	Elimination on Disposal/ Adjustments of Assets Rs.	Balance as at 31 March 2020 Rs.	Balance as at 31 March 2019 Rs.
(a) Plant and Equipment	66,353.06	15,216.14	1,411.98	80,157.24	11,811.62	12,960.25	745.01	56,130.37	54,541.46
(b) Furniture and Fixtures	1,378.39	157.65	2.09	1,532.93	646.16	773.00	0.57	615.15	732.03
(c) Office and Other Equipments	713.97	26.40	7.10	733.27	291.77	136.43	2.50	367.57	422.20
(d) Data Processing Equipments	7,370.09	815.82	133.97	8,051.54	2,110.71	1,571.07	26.94	4,377.08	5,239.36
(e) Leasehold Improvements	17,306.65	1,424.40	2.01	18,729.03	4,796.45	4,491.23	-	9,841.35	12,910.20
Total	93,122.18	17,640.41	1,557.15	1,09,205.43	19,276.93	19,431.98	775.02	37,933.89	73,845.25



Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)

Notes to the financial statements for the year ended 31 March 2021

(All amounts in INR Lakhs, except share data or as otherwise stated)

5B Right of Use Assets

Description of Assets	Buildings	Total
I - Gross carrying value		
As at April 01, 2020 (Refer Note 32)	8,310.56	8,310.56
Additions	3,646.16	3,646.16
Disposals / Adjustments during the year	(1,168.51)	(1,168.51)
As at March 31, 2021	10,788.21	10,788.21
II. Accumulated depreciation and impairment		
As at April 01, 2020	2,996.32	2,996.32
Charge for the year	2,872.96	2,872.96
Disposals / Adjustments during the year	(901.11)	(901.11)
As at March 31, 2021	4,968.17	4,968.17
III. Net Carrying Value		
As at 31 March 2021	5,820.04	5,820.04

Description of Assets	Buildings	Total
I - Gross carrying value		
As at April 01, 2019 (Refer Note 32)	-	-
Additions	8,590.57	8,590.57
Disposals / Adjustments during the year	(280.02)	(280.02)
As at March 31, 2020	8,310.56	8,310.56
II. Accumulated depreciation and impairment		
As at April 01, 2019	-	-
Charge for the year	3,122.44	3,122.44
Disposals / Adjustments during the year	(126.11)	(126.11)
As at March 31, 2020	2,996.33	2,996.33
III. Net Carrying Value		
As at 31 March 2020	5,314.23	5,314.23



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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)
Notes to the financial statements for the year ended 31 March 2021
 (All amounts in INR Lakhs, except share data or as otherwise stated)

Note 6 Other Financial Assets (Non-Current) (Unsecured. Considered good unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Security Deposits (at amortised cost)	1,919.33	2,804.55
(b) VAT Incentive Receivable	4,415.57	4,415.57
Less: Provision on VAT Incentive	(1,253.58)	(1,253.58)
Total	5,081.32	5,966.54

Note 7 Non-Current Tax Assets

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Advance Tax / Tax deducted at Source (Net of Provisions of Rs. 18,848.49 Lakhs as at March 31, 2020)	-	7,810.18
Total	-	7,810.18

Note 8 Other Non-current assets (Unsecured. Considered good)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Prepaid expenses	570.83	640.45
Total	570.83	640.45

Note 9 Inventories

At Lower of Cost and Net Realisable Value

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Raw Materials and Components	1,76,374.73	1,43,812.56
(b) Stock-in-transit (Raw Materials)	37,170.51	35,305.35
(c) Work-in-Progress	26,111.60	20,919.36
(d) Finished Goods	7,947.10	18,941.58
Total	2,47,603.94	2,18,978.85

Note 10 Trade Receivables

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Secured, Considered Good	-	-
(b) Unsecured, Considered Good	3,60,876.44	3,76,892.97
Expected Credit Loss Allowance (Refer Note 10.4 below)	(3,60,876.44)	(3,76,892.97)
Total	3,60,876.44	3,76,892.97

10.1 The average credit period on sales of goods is 90 days. No interest is charged on the trade receivables for the first 90 days from the date of the invoice.

10.2 Of the trade receivables balance as at March 31, 2021 Rs. 3,45,689.62 lakhs (as at March 31, 2020 Rs. 3,76,892.97 lakhs) is due from major customers.

10.3 Ageing of Trade Receivables:

	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Within the credit period	3,45,707.28	3,27,274.57
1 - 30 days past due	12,338.86	23,968.85
31 - 60 days past due	1.21	5,942.29
61 - 90 days past due	0.57	4,591.96
More than 90 days past due	2,828.52	15,115.31
Total	3,60,876.44	3,76,892.97

10.4 Based on the historical credit loss experience adjusted for forward-looking information, no allowance for expected credit loss in respect of Trade Receivables is considered necessary as at March 31, 2021 and March 31, 2020.



Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private Limited)

Notes to the financial statements for the year ended 31 March 2021

(All amounts in INR Lakhs, except share data or as otherwise stated)

Note 11A Cash and Cash Equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Cash on Hand	0.45	0.45
(b) Balances with Banks		
(i) In Current Accounts	5,827.79	3,134.12
(ii) In Deposit Accounts		
Original maturity less than 3 months	80,300.00	1,11,500.00
Total	86,128.24	1,14,634.57

Note 11B Other Bank Balances

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Other Bank Balances		
(i) In Deposit Accounts		
Original maturity more than 3 months (Under Lien Refer Note 11 B.1)	1,100.00	-
11. B.1 Deposits amounting to INR 1100 lakhs (PY Nil) have been placed with certain banks for obtaining overdraft facility.		
Total	1,100.00	-

Note 12 Loans (Current Financial Assets)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(i) Loans to Related Parties (Refer Note 31.2)	1,500.00	1,500.00
(ii) Advances to employees (unsecured, considered good)	20.28	63.30
Total	1,520.28	1,563.30

Note 13 Other Financial Assets (Current) (Unsecured, Considered good)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Interest accrued on loans given to related parties	210.70	121.12
(b) Security deposits	831.57	576.64
(c) Interest accrued, but not due on Fixed Deposits with banks	43.08	69.70
(d) Other Receivables	401.92	376.86
Less Provision for other receivable	(344.74)	-
Total	1,142.53	1,144.32

Note 14 Other Current Assets

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Balances Receivable from Government Authorities		
(i) Input Tax Credit (GST)	76,454.20	45,597.07
(ii) GST Refund Receivable	1,479.39	708.55
(ii) Deposit with Custom Authorities	919.10	670.56
	78,852.69	46,976.18
(b) Advance to Suppliers	3,540.74	1,655.66
(c) Prepaid expenses	293.35	73.05
Total	82,686.78	48,704.89



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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)
Notes to the financial statements for the year ended 31 March 2021
 (All amounts in INR Lakhs, except share data or as otherwise stated)

Note 15 Share Capital

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised				
Equity shares of Rs. 10 each, with voting rights	2,39,81,00,000	2,39,810.00	23,98,10,000	2,39,810.00
(b) Issued, Subscribed and Fully Paid Up				
Equity shares of Rs. 10 each, with voting rights (Previous year Equity shares of Rs. 100 each with voting rights)	2,38,09,44,980	2,38,094.50	23,80,94,498	2,38,094.50
Total		2,38,094.50		2,38,094.50

Notes:
15.1 Reconciliation of the Number of Shares and Amount Outstanding at the Beginning and at the End of the Reporting Period:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Rs.	Number of shares	Rs.
Shares outstanding as at the beginning of the year	23,80,94,498	2,38,094.50	16,65,94,499	1,66,594.50
Add: Fresh issue of shares during the year	-	-	7,14,99,999	71,500.00
Add: Split in the shares during the year**	2,14,28,50,462	-	-	-
Shares outstanding as at the end of the year	2,38,09,44,980	2,38,094.50	23,80,94,498	2,38,094.50

* - During the year, the Board of directors in their meeting held on 8th May 2020 and the members of the Company in the extraordinary general meeting held on 29th May 2020, approved the sub-division of equity shares from face value of Rs. 100/- per share into face value of Rs. 10/- each. Consequently the number of shares in the authorised capital has increased from 239,810,000 of Rs.100/- each to 2,398,100,000 of Rs.10/- each and the number of shares in the issued, subscribed, paid up share capital has increased from 238,094,498 of Rs.100/- each to 2,380,944,980 of Rs.10/- each.

15.2 Details of Shares held by Holding Company

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of Equity Shares	% Holding in that Class of Shares	Number of Equity Shares	% Holding in that Class of Shares
Equity Shares with voting rights				
Wonderful Stars Pte Ltd, the holding Company	2,38,03,08,780	99.97%	23,80,30,878	99.97%
Aptech Electronics Pte Ltd	6,36,200	0.03%	63,620	0.03%

15.3 Details of Shares held by each Shareholder Holding more than 5% Shares in the Company:

Class of Shares / Name of Shareholder	As at 31 March 2021		As at 31 March 2020	
	Number of Shares held	% Holding in that Class of Shares	Number of Shares held	% Holding in that Class of Shares
Equity Shares with voting rights				
Wonderful Stars Pte Ltd, the holding Company	2,38,03,08,780	99.97%	23,80,30,878	99.97%

15.4 Disclosure of Rights

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder is entitled to one vote per equity share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.5 Other Equity

Particulars	As at 31st March 2021	As at 31 March 2020
Balance at the beginning of the Year	29,293.31	(9,680.46)
Add: Profit / (Loss) for the year	16,191.58	38,971.33
Add: Changes in other comprehensive income	(5.85)	2.44
Balance as at the end of the year	45,479.04	29,293.31
Total	45,479.04	29,293.31



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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)
Notes to the financial statements for the year ended 31 March 2021
 All amounts in INR Lakhs, except share data or as otherwise stated:

Note 16 Provisions (Non-Current)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Provision for employee benefits:		
(i) Provision for Gratuity (Refer Note 29.2)	895.92	664.98
Total:	895.92	664.98

Note 17 Trade Payables

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
Trade Payables:		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note 28.2)	491.92	122.80
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	5,11,224.14	5,58,626.44
(iii) Expenses Payable	12,653.39	5,616.98
Total	5,24,369.45	5,64,366.22

17.1 The average credit period on purchases of goods is 90 days. No interest is charged on overdues. The Company has policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Note 18 Other Financial Liabilities (Current)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Payable on Purchase of Property, Plant and Equipment	9,656.38	2,737.25
(b) Deposits Received from Customers/Others	206.20	201.20
Total	9,862.58	2,938.45

Note 19 Provisions (Current)

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Provision for Employee Benefits:		
Provision for Gratuity (Refer Note 29.2)	92.76	36.14
Provision for Compensated Absences (Refer Note 29.2)	1,004.25	799.31
(b) Provision for Tax net off advance tax paid (Net off advance tax Rs.3,000 Lakhs)	3,649.95	-
Total	4,746.96	835.45

Note 20 Other Current Liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.
(a) Advance from Customers	105.74	3.28
(b) Statutory Remittances (Contributions to PF and ESI, Withholding Taxes, Excise Duty, VAT, Service Tax, GST etc.)	41,540.84	20,619.91
Total	41,646.58	20,623.19



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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)

Notes to the financial statements for the year ended 31 March 2021

(All amounts in INR Lakhs, except share data or as otherwise stated)

Note 21 Revenue from Operations

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
		Rs.	Rs.
(a)	Sale of Products and components	15,81,971.98	26,39,221.91
(b)	Other Operating Revenues (Refer Note (i) below)	3,513.84	24,333.93
	Total	15,85,485.82	26,63,555.84

Note	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
		Rs.	Rs.
(i)	Other Operating Revenues:		
	Sale of Raw Materials	2,545.56	21,998.63
	Sale of Scrap	881.96	1,884.41
	Insurance claim	0.74	101.00
	Income from Development and Support Services	83.12	306.71
	Merchandise Export from India Scheme	2.46	43.18
	Total - Other Operating Revenues	3,513.84	24,333.93

21.1 Disaggregated revenue information:
Based on the management approach as defined in IND AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, the Company has identified only one segment as reportable segment. (Refer Note 30.1)

21.2 Trade Receivables and Contract Balances
The Company classifies the right to consideration in exchange for deliverables as a trade receivable. A receivable is a right to consideration that is unconditional upon passage of time. In case of customers where the credit is allowed, the same is disclosed in Note 10 - Trade Receivables.

21.3 Transaction price allocated to the remaining performance obligation:
Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis.

21.4 Information about major customers :
Customers from whom the revenue is more than 10 % of the revenue from external customers of the Company are as follows:

Name of the Customers	For the year ended 31 March 2021	For the year ended 31 March 2020
Customer A	14,90,867.86	23,50,149.21
Customer B	90,530.16	1,50,988.69
Others*	573.96	1,38,084.01
Total	15,81,971.98	26,39,221.91

* The Company has no other customers from whom the revenue is more than 10 % of the revenue from external customers of the Company.

Note 22 Other Income

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
		Rs.	Rs.
(a)	Interest Income (Refer Note (i) below)	4,197.80	3,372.56
(b)	Provision No Longer Required Written back	968.61	-
(c)	Profit on termination of leases	13.49	4.26
	Total	5,179.90	3,376.82

Note	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
		Rs.	Rs.
(i)	Interest Income Comprises:		
	From Banks - Fixed Deposits	2,790.12	3,104.83
	Security Deposits carried at amortised cost	-	130.64
	Interest on IT Refund	1,320.69	-
	Others	86.99	137.09
	Total - Interest income	4,197.80	3,372.56



Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)
Notes to the financial statements for the year ended 31 March 2021
 (All amounts in INR Lakhs, except share data or as otherwise stated)

Note 23 Cost of Materials Consumed

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
(a) Opening Stock	1,79,117.91	2,46,514.68
(b) Add: Purchases	14,97,930.50	23,99,149.18
	16,77,048.41	26,45,663.86
(c) Less: Closing Stock (Refer Note 9 (a))	2,13,545.24	1,79,117.91
Cost of Materials Consumed	14,63,503.17	24,66,545.95

Note 24 Changes in Inventories of Finished Goods and Work-in-progress

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
(a) Inventories at the End of the Year: (Refer Note 9)		
Finished Goods	7,947.10	18,941.58
Work-in-progress	26,111.60	20,919.36
	34,058.70	39,860.94
(b) Inventories at the Beginning of the Year:		
Finished Goods	18,941.58	30,403.62
Work-in-progress	20,919.36	32,721.56
	39,860.94	63,125.18
Net Decrease / (Increase)	5,802.24	23,264.24

Note 25 Employee Benefits Expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
(a) Salaries, Wages and Bonus	18,309.97	16,274.59
(b) Contributions to Provident and Other Funds (Refer Note 29.1)	1,061.58	938.11
(c) Gratuity Expenses (Refer Note 29.2)	314.42	273.44
(d) Staff Welfare Expenses	10,312.23	10,089.27
Total	29,998.20	27,575.41

Note 26 Finance Costs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
(a) Interest expense on:		
(i) Borrowings	16.58	1,981.04
(ii) Lease Liabilities	497.69	546.64
(ii) Others	1,846.81	284.88
Total	2,361.08	2,812.56



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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)
Notes to the financial statements for the year ended 31 March 2021
 (All amounts in INR Lakhs, except share data or as otherwise stated)

Note 27 Other Expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
(a) Consumption of Stores and Spare Parts	3,690.37	4,903.35
(b) Consumption of packing materials	436.08	626.84
(c) Power and Fuel	3,661.46	4,063.48
(d) Rent including Lease Rentals (Refer Note 32)	885.97	1,451.25
(e) Repairs and Maintenance - Buildings	318.72	374.72
- Machinery	3,876.64	3,337.50
- Others	1,755.21	1,889.78
(f) Insurance	553.35	615.89
(g) Chemical charges	350.64	465.91
(h) Rates and Taxes	24.71	21.98
(i) Communication	123.70	145.30
(j) Travelling and Conveyance	5,920.64	5,638.20
(k) Printing and Stationery	148.15	132.06
(l) Royalty	35.21	49.33
(m) Business Promotion Expenses	500.67	25.56
(n) Contract Charges	16,950.01	25,909.55
(o) Legal and Professional Charges	222.50	366.00
(p) Payments to Auditors (Refer Note (ii) below)	35.50	39.50
(q) Loss on Property, plant and equipment Sold / Scrapped / Written Off (Net)	2,448.27	369.53
(r) Membership Subscription	153.62	179.15
(s) Water	209.81	249.22
(t) Testing and Processing Charges	445.15	504.78
(u) Loss on Foreign Currency Transactions and Translation (Net)	2,822.93	23,234.86
(v) Bank charges	16.29	655.44
(w) Security Charges	1,134.31	1,362.87
(x) Provision for Other receivable	344.74	-
(y) Donation	254.30	0.50
(z) Loss on Fair valuation of deposits	135.23	-
(aa) Miscellaneous Expenses	34.86	230.34
Total	47,489.04	76,842.60

Notes:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.
(i) Payments to Auditors Comprises (net of tax input credit):		
To Statutory Auditors		
For Statutory Audit	20.00	20.00
For Tax Audit	3.00	3.00
For Group Reporting	12.50	12.50
For Other Services	-	4.00
Total	35.50	39.50



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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)
Notes to the financial statements for the year ended 31 March 2021
 (All amounts in INR Lakhs, except share data or as otherwise stated)

Note 28 Additional information to the financial statements for the year ended 31 March 2021

Note	Particulars	As at 31 March 2021	As at 31 March 2020
		Rs.	Rs.
28.1	Commitments		
	(a) Estimated Amount of Contracts Remaining to be Executed on Capital Account and Not Provided for - Tangible Assets	7,535.19	7,717.05
28.1	Contingent Liability		
	(a) Claims against the Company not acknowledged as debt (Refer Note 1 below): - Customs Act (Paid Rs. 919.10 Lakhs under protest (Previous Year : Rs. 670.56 Lakhs))	12,254.68	12,254.68
Note 1:			
The Company is contesting the demands raised by the authorities, and the management, including its tax advisors, believe that its position is likely to be upheld in the appeal process and ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.			
28.2	Disclosures Required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	Particulars	As at 31 March 2021	As at 31 March 2020
		Rs.	Rs.
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	461.25	120.90
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	30.67	1.90
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
	(iv) The amount of interest due and payable for the year	30.67	1.90
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	30.67	1.90
	(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.			



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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)

Notes to the financial statements for the year ended 31 March 2021

All amounts in INR Lakhs, except share data or as otherwise stated.

29 Employee Benefits

29.1 Defined Contribution Plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 1,061.58 lakhs; (Year ended 31 March, 2020 Rs. 938.11 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Company's (employer's) contribution to Defined Contribution Plans recognised as expenses in the Statement of Profit and Loss are:

Particulars	For the year ended 31 March 2021 Rs.	For the year ended 31 March 2020 Rs.
Employer's Contribution to Provident Fund and Employee State Insurance	1,061.58	938.11
Total	1,061.58	938.11

29.2 Defined Benefit Plans

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the above plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2021 by an independent member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(a) Amount recognised in the total comprehensive income in respect of the defined benefit plan are as follows :

Particulars	For the year ended 31 March 2021 Rs.	For the year ended 31 March 2020 Rs.
Gratuity:		
Service Cost		
- Current Service Cost	256.55	238.14
- Interest expense on Defined Benefit Obligation	49.08	35.30
- Interest income on plan assets		
Components of defined benefit costs recognised in profit or loss (A)	305.63	273.44
Remeasurement on the net defined benefit liability :		
Actuarial loss arising from changes in financial assumptions	(70.92)	(68.83)
Actuarial (gains) arising from experience adjustments	78.75	65.07
Components of defined benefit costs recognised in other comprehensive income (B)	7.82	(3.76)
Total (A) + (B)	313.45	269.68

(i) The current service cost and interest expense for the year are included in the "Employee Benefit Expenses" line item in the statement of profit & loss under contribution to provident and other funds.

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

Particulars	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Net Asset/(Liability) recognised in the Balance Sheet:		
Gratuity:		
Present value of defined benefit obligation	988.68	701.12
Fair value of plan assets		
Deficit/ (Surplus)	988.68	701.12
Current portion of the above	92.76	36.14
Non current portion of the above	895.92	664.98



Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)

Notes to the financial statements for the year ended 31 March 2021

All amounts in INR Lakhs, except share data or as otherwise stated.

(c) Movement in the present value of the defined benefit obligation are as follows :

Particulars	For the year ended 31 March 2021 Rs.	For the year ended 31 March 2020 Rs.
Change in the obligation during the year:		
Gratuity:		
Present value of defined benefit obligation at the beginning of the year	701.11	458.44
Expenses Recognised in the Statement of Profit and Loss:	256.55	238.14
- Current Service Cost	49.08	35.30
- Interest Expense (Income)		
Recognised in Other Comprehensive Income		
Remeasurement gains / (losses):		
- Actuarial Gain (Loss) arising from:	(70.92)	-68.83
i. Financial Assumptions	78.75	65.07
ii. Experience Adjustments	(25.89)	(27.01)
Benefit payments		
Present value of defined benefit obligation at the end of the year	988.68	701.11

(d) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Gratuity:		
Discount rate	6.90%	7.00%
Expected rate of salary increase	11.00%	12.50%
Expected return on plan assets	22.00%	22.00%
Withdrawal Rate	IALM (2012-14)	IALM (2012-14)
Mortality		

(e) Experience Adjustments on Present Value of Benefit Obligation and Plan Assets

Particulars	For the Period Ended			
	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21
Gain/Loss on Plan Liabilities	104.46	74.43	65.07	78.75
% of Opening Plan Liabilities	103.87%	138.86%	14.20%	11.23%
Gain/(Loss) on Plan Assets			0.00%	0.00%
% of Opening Plan Assets	0.00%	0.00%	0.00%	0.00%

Expected gratuity outflow in the next five years :

Particulars	Expected Outflow (in INR Lakhs)
Year 1	92.76
Year 2	122.90
Year 3	156.12
Year 4	158.18
Year 5	138.10

(f) Significant actuarial assumptions for the determination of defined obligation are discount rate, expected salary increase rate and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes for a 100 basis points of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant :

In respect of Gratuity:

Particulars	Defined Benefit Obligation (2020-21)	Defined Benefit Obligation (2019- 20)
Under Base Scenario	988.68	701.11
Salary Escalation (Up by 1%)	1,042.47	744.38
Salary Escalation (Down by 1%)	938.50	661.05
Withdrawal Rates (Up by 1%)	969.85	680.60
Withdrawal Rates (Down by 1%)	1,008.59	722.98
Discount Rates (Up by 1%)	941.32	662.46
Discount Rates (Down by 1%)	1,040.67	743.85

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit (PUC) method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.



Notes to the financial statements for the year ended 31 March 2021

All amounts in INR Lakhs, except share data or as otherwise stated.

29.3 Compensated Absences

The key assumptions used in the computation of provision for compensated absences as per the actuarial valuation done by an Independent Actuary are as given below:

Particulars	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Assumptions		
Discount Rate	6.90%	7.00%
Future Salary Increase	11.00%	12.50%
Attrition Rate	22.00%	22.00%

30.1 Segment Reporting

(a) Operating Segments:

The Company operates in only one operating segment, the business of manufacturing of mobile phones. All assets, liabilities, revenue and expenses are related to their one-segment activities.

Geographical Segments:

Particulars	For the year ended 31 March 2021 Rs.	For the year ended 31 March 2020 Rs.
Revenue from operations by market		
- India	15,84,579.72	26,62,715.44
- Others	956.10	840.41
Total	15,85,485.82	26,63,555.85
Segment Assets		
- India	8,71,003.08	8,37,309.03
- Others	206.02	17,196.04
Total	8,71,209.10	8,54,505.07
Capital Expenditure		
- India	19,379.93	20,545.85
- Others	-	-
Total	19,379.93	20,545.85

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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)

Notes to the financial statements for the year ended 31 March 2021

(All amounts in INR Lakhs, except share data or as otherwise stated)

31 Disclosure in respect of Related Parties pursuant to Indian Accounting Standard 24

31.1 Names of Related Parties and Nature of Relationship

Description of Relationship	2020-21	2019-2020
Ultimate Holding Company	FIH Mobile Limited	FIH Mobile Limited
Immediate Holding Company	Wonderful Stars Pte Limited Aptech Electronics Pte Ltd	Wonderful Stars Pte Limited Aptech Electronics Pte Ltd
Fellow Subsidiaries (in respect of which the Company had transactions during the year)	Best Ever Industries Limited Competition Team Technology (India) Private Limited FIH (Hong Kong) Limited FIH India Developer Private Limited FIH India Private Limited FIH Precision Electronics (Langfang) Co, Ltd. Futaijing Precision Electronics (Beijing) Co. Ltd. Great Promote Limited Shih Hua Technology Ltd. Foxconn Technology Co Ltd 1st Special Material International Holdings LTD Guizhou FIH Precision Electronics Co. Ltd INNOLUX CORPORATION Jusda India Supply Chain Management Private Limited Sharp Business Systems India Pvt Ltd FITIPOWER INTEGRATED TECHNOLOGY INC. Cheng Uei Precision Industry Co.,Ltd Garuda International Limited Pan-International Industrial Co. Futaihua Industrial (Shenzhen) Co., Ltd. Fushan Technology (Vietnam) Limited Liability Company FIH Singapore Trading PTE Ltd View Great Limited TNS Mobile India Pvt Ltd Fortunebay Technology Pte.Ltd. Foxconn Interconnect Technology Singapore Pte Ltd Foxconn Technology India Pvt Ltd Foxteq Services India Pvt Ltd Ur Materials Industry (Shenzhen) Co Ltd Innocom Electronics India Private Limited	Best Ever Industries Limited Competition Team Technology (India) Private Limited FIH (Hong Kong) Limited FIH India Developer Private Limited FIH India Private Limited FIH Precision Electronics (Langfang) Co, Ltd. Futaijing Precision Electronics (Beijing) Co. Ltd. Great Promote Limited Shih Hua Technology Ltd. Foxconn Technology Co Ltd 1st Special Material International Holdings LTD Guizhou FIH Precision Electronics Co. Ltd INNOLUX CORPORATION Jusda India Supply Chain Management Private Limited Sharp Business Systems India Pvt Ltd FITIPOWER INTEGRATED TECHNOLOGY INC. Cheng Uei Precision Industry Co.,Ltd Garuda International Limited Pan-International Industrial Co. Futaihua Industrial (Shenzhen) Co., Ltd. Fushan Technology (Vietnam) Limited Liability Company FIH Singapore Trading PTE Ltd View Great Limited TNS Mobile India Pvt Ltd Fortunebay Technology Pte.Ltd. Foxconn Interconnect Technology Singapore Pte Ltd Foxconn Technology India Pvt Ltd Foxteq Services India Pvt Ltd Ur Materials Industry (Shenzhen) Co Ltd Innocom Electronics India Private Limited
Key Management Personnel	Liu Chien Liang (Director)	Liu Chien Liang (Director)

Note:

Related party relationships are as identified by the Management and relied upon by the auditors.



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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)
Notes to the financial statements for the year ended 31 March 2021
 All amounts in INR Lakhs except share data or as otherwise stated

31 Disclosure in respect of related parties pursuant to Indian Accounting Standard 24 (Contd.)

31.2 Transactions with the related parties

Particulars	Related party	2020-21	2019-20
		Rs.	Rs.
Income			
Interest Income	FIH India Developer Pvt Ltd	86.99	121.12
Sales	FIH (Hong Kong) Limited	692.86	319.60
	Futaijing Precision Electronics (Beijing) Co Ltd		78.50
	Great Promote Limited	192.81	20,677.25
	Foxconn Interconnect Technology Singapore Pte Ltd		21.38
	Innocom Electronics India Private Limited	6.30	1.57
	Foxconn Technology India Private Limited	6.53	2.72
	Cheng Uei Precision Industry Co., Ltd	-	17.71
	Guizhou FIH Precision Electronics Co. Ltd	-	182.08
	Competition Team Technology (India) Private Limited	4.93	
Expenses (gross of withholding tax wherever applicable)			
Purchase / (Purchase Returns) of Raw Materials (including stores and consumables)	1st Special Material International Holdings Ltd	-	15.23
	Best Ever Industries Limited	293.73	731.12
	FIH (Hong Kong) Limited	5,951.05	24,105.69
	Foxconn Interconnect Technology Singapore Pte Ltd	256.72	287.41
	Foxconn Technology Co Ltd	-	13.02
	Garuda International Limited	74.06	74.17
	FIH Precision Electronics (Langfang) Limited	44.96	-
	Great Promote Limited	-1.79	6,215.31
	Pan-International Industrial Corp	157.82	552.39
	Innolux Corporation	-	746.08
	Flitpower Integrated Technology Inc	-	0.71
	Guizhou FIH Precision Electronics Co Ltd	0.30	-
	View Great Limited	105.98	2,580.36
	Shih Hua Technology Ltd.	10.05	85.12
	Honhai Precision Industry Company Limited	9,383.29	-
	Ur Materials Industry (Shenzhen) Co Ltd	671.15	149.25
	Jusda International Limited	19.91	-
	Fortunebay Technology Pte Ltd	10,475.88	6,803.74
Rent	FIH India Developer Pvt Ltd	1,437.30	1,465.20
Reimbursement of expense paid	FIH India Developer Pvt Ltd	2,818.52	3,328.78
	FIH India Private Limited	-	2.62
Other Expenses	Jusda India Supply Chain Management India Private Limited	3,816.64	2,743.06
	1st Special Material International Holdings Ltd	-	7.81
	FIH (Hong Kong) Limited	49.54	269.78
	FIH Precision Electronics (Langfang) Limited	129.10	185.94
	Foxconn Technology India Pvt Ltd	124.76	193.18
	Foxconn Technology Co Ltd	-	1.60
	Great Promote Limited	3,750.65	113.75
	Guizhou FIH Precision Electronics Co. Ltd	-	3.81
	Innolux Corporation	-	861.67
	Sharp Business Systems India Private Limited	34.18	42.86
	Honhai Precision Industry Co Ltd	0.97	-
	Shih Hua Technology Ltd.	-	3.39
Key Management Personnel	Liu Chien Liang (Director)	24.00	18.00
Others			
Purchase/(Purchase Returns) of Capital Goods	FIH (Hong Kong) Limited	338.25	1,459.02
	FIH India Developer Pvt Ltd	0.25	11.81
	FIH Precision Electronics (Langfang) Limited	91.86	385.87
	Foxteq Services India Pvt Ltd	-	1.77
	Fushan Technology (Vietnam)	9.00	47.80
	Guizhou FIH Precision Electronics Co. Ltd	-	788.79
	Great Promote Limited	155.79	1,365.34
	Futaijing Precision Electronics (Beijing) Co. Ltd.	-	51.42
	FIH India Private Limited	5,655.60	-
Allotment of Shares	Wonderful Stars Pte Limited	-	71,500.00
	Aptech Electronics Pte Limited	-	0.30



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Notes to the financial statements for the year ended 31 March 2021
 All amounts in INR Lakhs, except share data or as otherwise stated:

31 Disclosure in respect of related parties pursuant to Indian Accounting Standard 24 (Contd.)

31.2 Transactions with the related parties

Particulars	Related party	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Receivables (including contractually reimbursable expenses)	FIH India Developer Private Ltd	397.54	-
	Futaijing Precision Electronics (Beijing) Co., Ltd	0.03	9.44
	Great Promote Limited	122.49	18,372.09
	FIH (Hong Kong) Limited	79.28	65.46
	Guizhou Fih Precision Electronics Co Ltd	4.08	4.20
	InnoCom Electronics India Private Limited	7.14	8.72
	Foxconn Hon Hai Technology India Me Development Pvt Ltd	18.38	44.00
	Foxconn Technology (India) Pvt Ltd	1.65	2.89
Short Term Loan	FIH India Developer Private Ltd	1,500.00	1,500.00
Lease Deposits	FIH India Developer Private Ltd	1,936.65	1,736.65
Accrued Interest on Loan	FIH India Developer Private Ltd	210.70	121.12
Liabilities as at Year End			
Payables (net of TDS wherever applicable)	FIH (Hong Kong) Ltd	524.49	2,528.02
	FIH Precision Electronics (Langfang) Limited	-	13.80
	Hongfujin Precision Electronics (Zhengzhou) co Ltd	-	4.94
	FIH India Private Limited	2.66	2.67
	FIH India Developer Private Ltd	-	869.86
	Best Ever Industries Limited	-	58.21
	Foxconn Interconnect Technology Singapore Pte Ltd.	70.21	33.39
	Foxconn Technology Co Ltd	-	1.60
	Great Promote Limited	3,925.66	10,366.63
	Shih Hua Technology Ltd	-	32.04
	1St Special Material International Holdings Ltd	0.07	0.07
	Fushan Technology (Vietnam) Limited Liability Company	-	4.39
	Garuda International Limited	11.28	-
	Innolux Corporation	-	0.04
	Jusda India Supply Chain Management India Private Limited	361.79	68.41
	Pan-International Industrial Corp	0.50	292.89
	View Great Limited	0.28	352.48
	Guizhou Fih Precision Electronics Co Ltd	-	125.64
	Ur Materials Industr. Shenzhen, Co Ltd	0.11	55.12
	Fortunebay Technology Pte.Ltd.	2,505.37	-
	Honhai Precision Industr. Co., Ltd	144.45	-
	Jusda International Limited	19.47	-
	Payable on Purchase of Property, Plant & Equipment	FIH India Private Limited	6,675.90
Sharp Business Systems India Private Limited		3.75	3.51
Fih Precision Electronics (Langfang) Co Ltd		65.99	-
Guizhou Fih Precision Electronics Co Ltd		122.25	-



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Notes to the financial statements for the year ended 31 March 2021
 All amounts in INR Lakhs, except share data or as otherwise stated.

32 Obligations Towards Operating Leases

A. Break-up of current and non-current lease liabilities :

The following is the break-up of current and non-current lease liabilities as at March 31, 2021:

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	941.73	999.54
Non-current lease liabilities	5,172.34	4,499.59
Total	6,114.07	5,499.13

B. Movement in Lease Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Balance as on 1st April 2020	5,499.13	
Additions	3,546.16	8,590.57
Finance costs accrued during the period	497.69	546.64
Deletions	(280.89)	(161.43)
Payment of Lease Liabilities	(3,248.03)	(3,476.65)
Total	6,114.07	5,499.13

C. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	3,335.34	2,297.23
One to five years	3,605.65	2,827.07
More than five years	1,160.44	1,676.19

D. Amounts recognized in statement of profit and loss

Particulars	2020-21	2019-20
Interest on lease liabilities	497.59	546.64
Variable lease payments not included in the lease payment liabilities	-	-
Income from sub-leasing right of use assets	-	-
Expenses relating to short-term leases	-	-
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	-	-

33 Earnings per Share

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Profit after Tax - Rs.	16,191.58	38,971.33
Weighted average number of Equity Shares*	2,38,09,44,980	1,87,49,75,042
Earnings per Share - Basic in Rs.	0.68	2.08
- Diluted in Rs.	0.68	2.08
Face value per Share - in Rs.	10.00	10.00

* On account of change in the face value per share and the consequential share split, as referred to in Note 15.1, which has been approved by the share holders subsequent to the year ended March 31, 2020, the basic and diluted earnings per share for the year ended March 31, 2020, being the corresponding previous year, have been computed based on the new number of shares as prescribed under IND AS 33 Earnings per Share.



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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)
Notes to the financial statements for the year ended 31 March 2021
 (All amounts in INR Lakhs, except share data or as otherwise stated)

34 Taxation

34.1 Current Tax

Particulars	For the Year Ended	For the Year Ended
	31 March 2021	31 March 2020
	Rs.	Rs.
Current Tax:		
Current Income Tax Charge	7,085.75	10,266.21
Adjustment of Current Tax Relating to Earlier Years	(573.35)	-
Total	6,512.40	10,266.21
Deferred Tax:		
Difference between book balance and tax balance of property, plant and equipment	(1,608.94)	(3,257.30)
In respect of current year origination and reversal of temporary differences	878.72	4,085.63
Provision for compensated absences, gratuity and other employee benefits	(125.92)	(827.67)
Provision for other receivables	(86.76)	-
Unabsorbed depreciation and brought forward loss	-	5,615.82
Reversal of Net DTA restricted to the extent of DTL	-	(7,553.89)
Creation and utilisation of MAT Credit	(2,645.62)	-
Provision for Bonus	31.27	-
Effect on deferred tax balances due to the change in income tax rate from 34.944% to 25.168% *	531.25	-
Others	27.46	37.35
Total	(3,053.48)	(1,900.06)
Total tax expense recognised in statement of profit and loss	3,458.92	8,366.15

* During the current year, the Company has adopted concessional tax rate of 22% as per Sec 115BAA of the Income Tax Act, 1961. Consequently the deferred tax amount of Rs.531.25 Lakhs has been charged off to the Statement of Profit & Loss.

34.2 The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Amount Rs.	Tax Amount Rs.	Amount Rs.	Tax Amount Rs.
Profit Before tax from Operations	19,650.50	4,945.64	47,337.48	16,539.71
Income Tax using the Company's Tax rate at 25.168% (PY - 34.944%)*				
Tax Effect of:				
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	-	-	(12,233.32)	(4,274.33)
Effect of expenses that are not deductible in determining taxable profit	5,268.19	1,325.90	387.63	135.44
Effect of Allowances in income tax	(496.27)	(124.90)	(11,547.46)	(4,034.69)
Effect on deferred tax balances due to the change in income tax rate from 34.944% to 25.168% *	2,110.81	531.25	-	-
Adjustment recognised in the current year in relation to the current income tax of prior years (including MAT Credit availed)	(12,789.92)	(3,218.97)	-	-
Income tax expense as per Statement of Profit & Loss		3,458.92		8,366.13

* During the current year, the Company has adopted concessional tax rate of 22% as per Sec 115BAA of the Income Tax Act, 1961. Consequently the deferred tax amount of Rs.531.25 Lakhs has been charged off to the Statement of Profit & Loss.

34.3 Income Tax on Other Comprehensive Income

Particulars	For the Year Ended	For the Year Ended
	31 March 2021	31 March 2020
	Rs.	Rs.
Deferred Tax:		
Remeasurement of defined benefit obligation	1.97	(1.31)
Total	1.97	(1.31)



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34.4 Following is the analysis of the deferred tax asset/(liabilities) presented in the Balance sheet.

Particulars	For the year ended 31 March 2021					
	Rs.					
	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT Credit utilisation/Other adjustments	Effect of change in tax rate	Closing balance
Tax effect of items constituting deferred tax liabilities:						
Difference between depreciation as per Books of Account and Income Tax Act, 1961	2,277.27	1,608.94	-	-	637.09	31.23
Deferred Tax Liabilities (DTL)	2,277.27	(1,608.94)	-	-	(637.09)	31.23
Tax effect of items constituting deferred tax assets:						
Provision for VAT incentive receivable	438.05	86.76	-	-	(122.55)	315.50
Provision for Other receivable	-	-	-	-	-	86.76
Provision for Inventory	1,752.89	(878.72)	-	-	(490.39)	383.78
Employee Benefits	1,097.80	125.92	1.97	-	(307.12)	914.63
Provision for Bonus	822.85	(31.27)	-	-	(230.20)	561.38
Others - IND AS 116	64.61	27.46	-	-	(18.08)	74.00
MAT credit availed/utilisation	-	2,645.62	-	(2,645.62)	-	-
Deferred Tax Assets (DTA)	4,176.20	1,975.79	1.97	(2,645.62)	(1,168.34)	2,336.05
Net Deferred Tax Assets	1,898.93	(3,584.73)	(1.97)	(2,645.62)	531.25	2,304.82

Particulars	For the year ended 31 March 2020					
	Rs.					
	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT credit utilisation	Effect of change in tax rate	Closing balance
Tax effect of items constituting deferred tax liabilities:						
Difference between depreciation as per Books of Account and Income Tax Act, 1961	5,534.57	(3,257.30)	-	-	-	2,277.27
Employee Benefits	-	-	-	-	-	-
Deferred Tax Liabilities	5,534.57	(3,257.30)	-	-	-	2,277.27
Tax effect of items constituting deferred tax assets:						
Deferred Rent	101.96	(101.96)	-	-	-	-
MAT Credit Entitlement	-	-	-	-	-	-
Provision for VAT incentive receivable	438.05	-	-	-	-	438.05
Provision for Inventory	5,838.53	(4,085.63)	-	-	-	1,752.89
Employee Benefits	841.73	257.19	(1.13)	-	-	1,097.80
Provision for Bonus	252.37	570.48	-	-	-	822.85
Unabsorbed Depreciation and brought forward loss	5,615.82	(5,615.82)	-	-	-	-
Others - IND AS 116	-	64.61	-	-	-	64.61
Reversal of net DTA restricted to the extent of DTL	(7,553.89)	7,553.89	-	-	-	-
Deferred Tax Assets	5,534.57	(1,357.24)	(1.13)	-	-	4,176.20
Net Deferred Tax Asset	0.00	(1,900.06)	1.13	-	-	1,898.93

35 International Transactions

The Company has entered into international transactions with Associated Enterprises. The Management is of the opinion that the Company maintains the necessary documents as prescribed by the Income Tax Act, 1961 to prove that these international transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense for the year ended 31 March 2021.

36 Corporate Social Responsibility (CSR)

During the year, the Company has created provision for Unspent Corporate Social Responsibility INR 254.29 as on March 2021 in compliance with Section 135 of the Companies Act, 2013 read with relevant schedules and rules made thereunder. The Company has deposited the unspent amount in a separate bank account on 28th April 2021.



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Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)
Notes to the financial statements for the year ended 31 March 2021
(All amounts in INR Lakhs, except share data or otherwise stated)

37 Financial Instruments

37.1 Capital Management

The Company manages its capital to ensure that it is able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance. The Company determines the amount of capital required on the basis of an annual budgeting exercise, future capital projects outlay etc. The funding requirements are met through equity, internal accruals and short term borrowings.

Gearing Ratio :

Particulars	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Debt		
Cash and Cash equivalents (Refer Note 11A)	(86,128.24)	(1,14,834.57)
Net Debt	(86,128.24)	(1,14,834.57)
Total Equity (Refer: Notes 15)	2,83,573.54	2,67,387.81
Net Debt to equity ratio	-30%	-43%

37.2 Categories of Financial Instruments

Financial Assets:

Particulars	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Measured at amortised cost		
- Security Deposits	2,750.90	3,381.19
- Trade receivables	3,60,876.44	3,76,892.97
- Cash and Cash equivalents	87,228.24	1,14,834.57
- Loans	1,520.28	1,563.30
- Interest on loan to related parties	210.70	121.12
- Other Receivables	57.18	376.86
- VAT Incentive Receivable	3,161.99	3,161.99
- Interest accrued, but not due on Fixed Deposits	43.08	69.70
Total	4,55,848.81	5,00,201.70

Financial Liabilities :

Particulars	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Measured at amortised cost		
- Trade payables	5,24,369.45	5,58,749.24
- Payable on purchase of Property, Plant & Equipment	9,656.38	2,737.25
- Deposits received from customers/ others	206.20	201.20
- Lease Liabilities	6,114.07	5,499.13
Total	5,40,346.09	5,61,687.69

37.3 Financial Risk Management Framework:

The Company is exposed to certain financial risks that could have a significant impact on the Company's operational and financial performance. These risks include market risk, credit risk and liquidity risk. The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposure by degree and magnitude of risks. The treasury function reports periodically to the Board of Directors of the Company, who monitors the risks and policies implemented to mitigate the risk exposures and have the overall responsibility to ensure the same.

The Company has not offset financial assets and financial liabilities.

37.4 Market Risk:

The Company's activities exposes it primarily to the financial risk of change in foreign currency exchange rates and interest rates.

37.5 Foreign Currency Risk Management:

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuation arises. The Company follows the principle of natural hedge considering that the foreign currency exposures primarily are on account of import of capital goods/raw materials and export of finished goods. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness/adequacy of the natural hedging principle is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

A. Outstanding as at 31 March 2021

Particulars	Currency	Amount in Foreign Currency (Millions)	Rs. (In Lakhs)
Payables (including Payables on purchase of fixed assets)	EUR	0.01	9.62
	USD	47.69	34,491.34
	JPY	-	-
Bank Balance - EEFC	USD	-	-

B. Outstanding as at 31 March 2020

Particulars	Currency	Amount in Foreign Currency (Millions)	Rs. (In Lakhs)
Payables (including Payables on purchase of fixed assets)	EUR	0.04	31.85
	USD	232.58	1,80,584.08
	JPY	-	-
Bank Balance - EEFC	USD	-	-



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Notes to the financial statements for the year ended 31 March 2021

All amounts in INR Lakhs, except share data if as otherwise stated.

37.6 Foreign Currency sensitivity analysis :

The Company is mainly exposed to the currencies of USD and EUR

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR Strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

(i) Impact of USD

Particulars	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Impact on Profit or (Loss) for the year and on total equity as at the end of the reporting period		
Increase by 5%	1,744.67	9,028.20
Decrease by 5%	(1,744.67)	(9,028.20)

(ii) Impact of EUR

Particulars	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Impact on Profit or (Loss) for the year and on total equity as at the end of the reporting period		
Increase by 5%	0.48	1.69
Decrease by 5%	(0.48)	(1.69)

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the reporting period.

37.7 Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company. The Company invests its surplus funds in bank fixed deposits which carry minimal mark to market rates.

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 month	1 to 3 months	3 months to 1 Year	Beyond 1 Year	Total
Rs.					
31 March 2021					
Fixed interest rate instruments:					
Borrowings (Current)					
Non-interest bearing:					
Trade Payable	3,38,798.50	1,62,666.77	14,801.68	8,102.50	5,24,369.45
Other Financial liabilities		9,862.58			9,862.58
Lease liabilities			941.73	5,172.34	6,114.07
Total	3,38,798.50	1,72,529.35	15,743.41	13,274.84	5,40,346.10
31 March 2020					
Fixed interest rate instruments:					
Borrowings (Current)					
Non-interest bearing:					
Trade Payable	1,13,845.55	2,21,591.46	3,733.03	2,25,196.17	5,64,366.21
Other Financial liabilities		2,938.44			2,938.44
Total	1,13,845.55	2,24,529.90	3,733.03	2,25,196.17	5,67,304.65



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The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 month	1 to 3 months	3 months to 1 Year	Beyond 1 Year	Total
31 March 2021					
<u>Non-interest bearing</u>					
Cash in hand	0.45	-	-	-	0.45
Balances with Banks held in Current Accounts	5,827.79	-	-	-	5,827.79
Trade Receivables	3,58,046.15	1.77	2,815.29	13.23	3,60,876.44
Loans to Related Parties	-	-	1,500.00	-	1,500.00
Advances to Employees	-	1.21	-	19.07	20.27
Other Financial Assets	-	-	1,142.53	5,081.32	6,223.85
<u>Fixed interest rate instruments</u>					
Fixed Deposits	-	80,300.00	1,100.00	-	81,400.00
Total	3,63,874.39	80,302.98	6,557.82	5,113.62	4,55,848.81
31 March 2020					
<u>Non-interest bearing</u>					
Cash in hand	0.45	-	-	-	0.45
Balances with Banks held in Current Accounts	3,134.12	-	-	-	3,134.12
Trade Receivables	3,46,651.46	10,534.25	19,574.25	133.02	3,76,892.97
Loans to Related Parties	-	-	700.00	-	1,500.00
Advances to Employees	63.30	-	-	800.00	863.30
Other Financial Assets	567.67	-	-	-	567.67
<u>Fixed interest rate instruments</u>					
Fixed Deposits	-	1,11,500.00	-	-	1,11,500.00
Total	3,50,417.00	1,22,034.25	20,274.25	7,476.20	5,00,201.69

Non-interest rate bearing financial assets disclosed above includes investments, Trade Receivable, Cash, balances with banks held in current accounts and EEFC accounts, Loans and Other Financial Assets.

Fixed interest rate instruments disclosed above represents balances with banks held in deposit accounts.

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

37.8 Credit Risk:

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. The company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The credit risk on receivables from government agencies/authorities is minimal considering the sovereign nature of the receivables. Similarly, the credit risk on liquid funds in banks is limited considering that the counterparties are banks with high credit ratings and repute.

As per the policy, the Company makes an allowance for doubtful receivables using expected credit loss model on a case to case basis.

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

None of the Company's cash equivalents, including deposits with bank, are past due or impaired. Regarding the trade receivables, other loans and receivables that are neither impaired nor past due, there were no indicators as at 31 March 2020 that defaults in payment obligations will occur.

38 Fair Value Measurement

38.1 Financial assets and financial liabilities that are measured at fair value on a recurring basis

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurements:

*Level 1 - Quoted price in an active market

*Level 2 - Discounted cash flow. Future cash flows are estimated based on forward exchange rates and contract rates, discounted at a rate that reflects the credit risk of various counterparties.

*Level 3 - Discounted cash flow method is used to capture the present value of the expected future economic benefits that will flow to the Company.

There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2020 and 31 March 2019.

38.2 Financial assets and financial liabilities that are not measured at fair value :

The Management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the financial statements approximate the fair values and, accordingly, no disclosures of the fair value hierarchy is required to be made in respect of these assets/liabilities.



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39 Estimation uncertainty during COVID-19 outbreak

The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of Property, plant and equipment, Trade receivables, Inventories, Other financial assets, Other current assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

40 Approval of Financial Statements

In connection with the preparation of the Financial Statements for the year ended 31 March 2021, the Board of Directors have confirmed the propriety of the contracts / agreements entered into by / on behalf of the Company and the resultant revenue earned / expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Company and have confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the standalone financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these standalone Ind AS financial statements in its meeting held on 20th October 2021

For and on behalf of the Board of Directors
Bharat FIH Private Limited (Formerly Known as Rising Stars Mobile India Private limited)



Kam Wah Danny Tam
Director
DIN: 09229307
Place: Taipei
Date: 20/10/2021



Hui Chung Chen
Director
DIN: 09235250
Place: Taipei
Date: 20/10/2021



Ramachandran Kunnath
Company Secretary
M.No: A57817
Place: Sunguvachatram
Date: 20/10/2021



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