



Geared for life

BHARAT GEARS LIMITED

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

BGL/SEC/NSE/3/NOVEMBER 2021-2022

November 02, 2021

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

SYMBOL: BHARATGEAR

Sub: Outcome of Board Meeting 4/21-22

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("the Regulations"), we are enclosing herewith Un-Audited Financial Results of the Company along with Limited Review Report thereon for the quarter ended September 30, 2021 approved by the Board of Directors of the Company at its Meeting held on November 02, 2021 in terms of Regulation 33 of the Regulations.

The meeting of Board of Directors of the Company commenced at 02:05 P.M. and concluded at 02:55 P.M.

You are requested to kindly take the same on records.

Thanking you,

Yours faithfully,
For **BHARAT GEARS LIMITED**


Prashant Khattry
Head (Legal) and Company Secretary

Encl: As above

BGL/SEC/BSE/2/NOVEMBER 2021-2022

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

STOCK CODE: 505688



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Tel. : +91(22) 2535 2034, 2535 7500, Fax: +91(22) 2535 1651
www.bharatgears.com

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Bharat Gears Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Bharat Gears Limited (the "Company") for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

AREPADI
KUMARASWAMY
ARUNA

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KUMARASWAMY ARUNA
DN: cn=AREPADI KUMARASWAMY
ARUNA, c=IN, o=Personal,
email=aruna.kumaraswamy@srb.in
Date: 2021.11.02 15:02:12 +05'30'

per Aruna Kumaraswamy

Partner

Membership No.: 219350

UDIN:21219350AAAACB2238

Place: Mumbai

Date: November 02, 2021

BHARAT GEARS LIMITED

CIN: L29130HR1971PLC034365

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

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS PERIOD ENDED 30 SEPTEMBER, 2021

(₹ in lakhs)

| | Particulars | Quarter ended | | | Six months period ended | | Previous year ended |
|----|--|---------------|---------------|----------------|-------------------------|-----------------|---------------------|
| | | 30.09.2021 | 30.06.2021 | 30.09.2020 | 30.09.2021 | 30.09.2020 | 31.03.2021 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 | Revenue from operations (Refer note 4) | 18,663 | 16,468 | 12,824 | 35,131 | 17,750 | 50,303 |
| 2 | Other income (Refer note 5) | 2 | 153 | 25 | 155 | 75 | 137 |
| 3 | Total income (1+2) | 18,665 | 16,621 | 12,849 | 35,286 | 17,825 | 50,440 |
| 4 | Expenses | | | | | | |
| | (a) Cost of materials and components consumed | 10,298 | 8,554 | 6,492 | 18,852 | 8,459 | 25,599 |
| | (b) Changes in inventories of finished goods and work-in-progress | (950) | (727) | (244) | (1,677) | 460 | (703) |
| | (c) Employee benefits expense (Refer note 6) | 2,745 | 2,554 | 2,164 | 5,299 | 3,635 | 8,247 |
| | (d) Finance costs | 497 | 489 | 633 | 986 | 1,181 | 2,267 |
| | (e) Depreciation and amortisation expense | 525 | 578 | 609 | 1,103 | 1,235 | 2,415 |
| | (f) Other expenses | 4,848 | 4,313 | 3,423 | 9,161 | 4,625 | 13,580 |
| | Total expenses | 17,963 | 15,761 | 13,077 | 33,724 | 19,595 | 51,405 |
| 5 | Profit/(Loss) before exceptional items and tax (3-4) | 702 | 860 | (228) | 1,562 | (1,770) | (965) |
| 6 | Exceptional items (Refer note 10) | 360 | - | - | 360 | - | - |
| 7 | Profit/(Loss) before tax (5-6) | 1,062 | 860 | (228) | 1,922 | (1,770) | (965) |
| 8 | Tax expense | | | | | | |
| | 1. Current tax | 286 | 60 | - | 346 | - | - |
| | 2. Deferred tax | (19) | 161 | (21) | 142 | (249) | (227) |
| | 3. (Excess)/Short provision for tax relating to prior years | - | - | - | - | - | 32 |
| 9 | Net profit/(loss) for the period (7-8) | 795 | 639 | (207) | 1,434 | (1,521) | (770) |
| 10 | Other comprehensive income/(loss) | | | | | | |
| | (i) Items that will not be reclassified to profit or loss | 14 | 42 | (13) | 56 | (26) | 127 |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | (3) | (11) | 1 | (14) | 4 | (32) |
| 11 | Total comprehensive income/(loss) for the period (9+10) | 806 | 670 | (219) | 1,476 | (1,543) | (675) |
| 12 | Paid-up equity share capital (Face value ₹ 10/- per share) | 931 | 931 | 931 | 931 | 931 | 931 |
| 13 | Other equity (excluding revaluation reserve) | | | | | | 6,450 |
| 14 | Earnings per share [face value of ₹ 10 /- each (* not annualised)] Basic and diluted (₹) | *8.54 | *6.87 | *(2.23) | *15.41 | *(16.35) | (8.27) |

Notes:

1. The above Unaudited Financial Results have been reviewed and recommended by the Audit Committee and have been approved by the Board of Directors at their respective meetings held on 02 November, 2021.
2. The statutory auditors of the Company have carried out limited review of the aforesaid Unaudited Financial Results.
3. The Company is primarily engaged in the Automotive Gears business and all other activities revolving around the same. As such there is no other separate reportable segment as defined by Ind AS 108 - "Operating Segments".
4. Ministry of Commerce & Industry on 17 August, 2021 notified rates on Remission of Duties and Taxes on Exported Products scheme (RoDTEP). Pursuant to this, the Company has recognised income from RoDTEP scheme of ₹ 161 lakhs during the quarter ended 30 September, 2021 which also includes income relating to eligible sales of prior quarters. Out of total income of ₹ 161 lakhs recognised, ₹ 49 lakhs pertains to the period January-March, 2021, ₹ 55 lakhs pertains to quarter ended 30 June, 2021 & ₹ 57 lakhs pertains to quarter ended 30 September, 2021.
5. Other income includes:

(₹ in lakhs)

| Particulars | Quarter ended | | | Six months period ended | | Previous year ended |
|--------------------------|---------------|-------------|-------------|-------------------------|-------------|---------------------|
| | 30.09.2021 | 30.06.2021 | 30.09.2020 | 30.09.2021 | 30.09.2020 | 31.03.2021 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| Net exchange gain/(loss) | (11) | 136 | 3 | 125 | 37 | 57 |

6. Employee benefits expense includes:

(₹ in lakhs)

| Particulars | Quarter ended | | | Six months period ended | | Previous year ended |
|-------------------------------------|---------------|-------------|-------------|-------------------------|-------------|---------------------|
| | 30.09.2021 | 30.06.2021 | 30.09.2020 | 30.09.2021 | 30.09.2020 | 31.03.2021 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| Voluntary retirement scheme expense | - | 25 | 62 | 25 | 191 | 195 |

7. Statement of Assets and Liabilities:

(₹ in lakhs)

| Particulars | | As at 30.09.2021 | As at 31.03.2021 |
|-------------|---|---------------------|---------------------|
| | | Unaudited | Unaudited |
| A | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Property, plant and equipment | 11,723 | 12,632 |
| | (b) Capital work-in-progress | 243 | 132 |
| | (c) Intangible assets | 94 | 107 |
| | (d) Right-of-use assets | 612 | 620 |
| | (d) Financial assets | | |
| | (i) Loans | 201 | 191 |
| | (ii)Others | 215 | 215 |
| | (e) Deferred tax assets (net) | 858 | 1,014 |
| | (f) Other non-current assets | 486 | 358 |
| | | 14,432 | 15,269 |
| 2 | Current assets | | |
| | (a) Inventories | 11,681 | 9,039 |
| | (b) Financial assets | | |
| | (i) Trade receivables | 11,811 | 10,627 |
| | (ii) Cash and cash equivalents | 9 | 10 |
| | (iii) Bank balances other than (ii) above | 577 | 558 |
| | (iv) Loans | 96 | 56 |
| | (v) Others | 414 | 544 |
| | (c) Current tax assets (net) | 105 | 92 |
| | (d) Other current assets | 2,678 | 2,156 |
| | | 27,371 | 23,082 |
| 3 | Non-current asset held for sale | 12 | 12 |
| | | 27,383 | 23,094 |
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8. Unaudited statement of Cash Flows:

(₹ in lakhs)

| | Particulars | For the six months period ended 30 September, 2021 | For the six months period ended 30 September, 2020 |
|----|---|---|--|
| A. | Cash flows from operating activities: | | |
| | Net profit/(loss) before tax | 1,922 | (1,770) |
| | Adjustments to reconcile profit/(loss) before tax to net cash flows: | | |
| | Depreciation and amortisation expense | 1,103 | 1,235 |
| | (Profit) / Loss on disposal of property, plant and equipment (net) | - | (3) |
| | Finance costs | 986 | 1,089 |
| | Interest income | (26) | (26) |
| | Rent expenses | 3 | 3 |
| | Employee benefits expense | 4 | 3 |
| | Allowance for doubtful debts | 3 | - |
| | Unrealised exchange (gain)/loss (net) | (125) | (28) |
| | Operating profit before working capital changes | 3,870 | 503 |
| | <u>Changes in working capital</u> | | |
| | Adjustments for (increase)/decrease in operating assets: | | |
| | Inventories | (2,642) | 350 |
| | Trade receivables | (1,062) | (1,077) |
| | Financial assets - loans | (44) | (55) |
| | Financial assets - others | 140 | 3 |
| | Other assets | (498) | (214) |
| | Adjustments for increase/(decrease) in operating liabilities: | | |
| | Trade payables | 1,010 | 656 |
| | Other financial liabilities | 13 | 182 |
| | Other current and non current liabilities | 143 | 142 |
| | Provisions | 76 | 39 |
| | Cash generated from operations | 1,006 | 529 |
| | Income tax (paid)/refund (net) | (177) | (18) |
| | Net cash flows from/(used in) operating activities (A) | 829 | 511 |
| B. | Cash flows from investing activities: | | |
| | Purchase of property, plant and equipments and intangible assets (including capital work-in-progress, capital advances) | (346) | (242) |
| | Proceeds from sale of property, plant and equipments | - | 7 |
| | Bank balances (including non-current) not considered as cash and cash equivalents (net) | (20) | 20 |
| | Interest received | 17 | 19 |
| | Net cash flows from/(used in) investing activities (B) | (349) | (196) |
| C. | Cash flows from financing activities: | | |
| | Proceeds from long-term borrowings | 519 | - |
| | Repayment of long-term borrowings | (1,133) | (19) |
| | Net increase/(decrease) in short-term borrowings | - | (268) |
| | Interest paid | (898) | (301) |
| | Dividends paid | (2) | (3) |
| | Payment of lease liabilities | (144) | (129) |
| | Net cash flows from/(used in) financing activities (C) | (1,658) | (720) |
| | Net (decrease)/increase in cash and cash equivalents (A+B+C) | (1,178) | (405) |
| | Cash and cash equivalents at the beginning of the year | (2,227) | (2,235) |
| | Cash and cash equivalents at the end of six months period | (3,405) | (2,640) |
| | Cash and cash equivalents | 9 | 20 |
| | Other bank balances (represents cash credit, packing credit & funded interest) | (3,414) | (2,660) |
| | Cash and bank balances | (3,405) | (2,640) |

BHARAT GEARS LIMITED

CIN: L29130HR1971PLC034365

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

9. The Company has considered the possible impact of COVID-19 pandemic on its operations, liquidity position and recoverability of its asset balances at 30 September, 2021 based on the internal and external information up to the date of approval of these financial results. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial results and management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.
10. The Company had lodged a compensation claim with the Mumbai Metropolitan Region Development Authority ('MMRDA') in earlier years in respect of costs incurred towards shifting /re-location of facilities situated on the Company's land acquired by the Authority in such years towards proposed road widening projects. The Company has received relevant approvals from the authorities during the quarter sanctioning a compensation which has been accepted by the Company. The compensation received amounting to ₹ 514 lakhs has been netted off against the costs incurred directly in relation to the same amounting to ₹ 154 lakhs and accordingly a net amount of ₹ 360 lakhs (gross of tax), has been disclosed as an Exceptional item.
11. The Board of Directors at their meeting held on 20 October, 2021 have approved the proposed issue of equity shares for an amount of ₹ 977 lakhs to existing shareholders on rights basis, in ratio of 1 equity share for every 10 equity shares held by the shareholders as on the Record date at an issue price of ₹ 105 per share. The Company has also received an in-principle approval from Stock Exchanges for the proposed rights issue of equity shares.
12. Previous period's figures have been regrouped/reclassified wherever necessary.

For and on behalf of the Board of Directors

**SURINDER
PAUL KANWAR**

Digitally signed by SURINDER PAUL KANWAR
DN: cn=SURINDER PAUL KANWAR, o=BHARAT GEARS LIMITED, email=surinder.paul.kanwar@bhargears.com, c=IN
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Date: 2021.11.02 14:52:15 +05'30'

SURINDER PAUL KANWAR
Chairman & Managing Director

Date : 02 November, 2021