Bhandari Hosiery Exports Ltd.

Sustainable Innovation
Design • Fabric • Garments
(A GOVT. OF INDIA RECOGNISED EXPORT HOUSE)
R.O. : Bhandari House, Village Meharban, Rahon Road, LUDHIANA-141 007 (INDIA)
Phones : +91-88720 16409, +91-88720 16410
E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com
(Corporate Identification No./CIN : L17115PB1993PLC013930)

Date: 01/02/2021

To
Listing Department
BSE Limited
Department of Corporate Services
P.J. Tower, Dalal Street,
Mumbai-400001.

Scrip Code: 512608

Sub: Application under Regulation 37 of SEBI (LODR) Regulations, 2015 for the Scheme of Merger of Tikani Exports Limited ("the Transferor Company") with Bhandari Hosiery Exports Limited ("the Transferee Company").

Dear Sir/Madam

This is to inform you that Board of directors of the company has approved the scheme of Merger and arrangement of Tikani Exports Limited ("the Transferor Company") with Bhandari Hosiery Exports Limited ("the Transferee Company") and their respective shareholders at Board Meeting held on 9th November, 2020.

Pursuant to Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit, for your approval, the Scheme of Merger of the Transferor Company with the Transferee Company ("the Scheme") under Section 230 to 232 of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force).

Please note that BSE Ltd is the designated Stock Exchange (DSE) for the purpose of coordinating with SEBI.

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BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

We hereby furnishing the following documents as per BSE Checklist:

Sr. No.	Documents to be submitted alongwith application under Regulation 37 of the LODR Regulations	Annexure	Page No.
1.	Certified true copy of the resolution passed by the Board of Directors of the company approving the scheme.	Annexure I	1-6
2.	Certified copy of the draft Scheme of Amalgamation/Arrangement, etc. proposed to be filed before the NCLT.	Annexure II	7-34
3.	Valuation report from Registered Valuer, **as applicable,** as per Para I(A)(4) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017as amended by SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated November 3, 2020. The valuation report shall be as per the format given in **Annexure I**	Annexure III	35-54
4.	Report from the Audit Committee recommending the draft scheme taking into consideration, inter alia, the valuation report at sr. no. 3 above. The Audit Committee report shall also comment on the following: • Need for the merger/demerger/amalgamation/arrangement • Rationale of the scheme • Synergies of business of the entities involved in the scheme • Impact of the scheme on the shareholders. • Cost benefits analysis of the scheme.	Annexure IV	55-58
5.	Fairness opinion by Independent SEBI Registered Merchant Banker	Annexure V	59-63
6.	Shareholding pattern of all the Companies pre and post Amalgamation / Arrangement as per the format provided under Regulation 31 of the LODR Regulations,	Annexure VI	64-109
7.	Shareholding pattern of all the Companies pre and post Amalgamation / Arrangement in **Word Format** as given in **Annexure II**	Annexure VII	110-112
8.	Pre and Post Amalgamation/ Arrangement number of Shareholders in all the companies in the format as provided in **Annexure III**	Annexure VIII	113
9.	Audited financials of the transferee/resulting and transferor/demerged companies for the last 3 financial years (financials not being more than 6 months old) as per **Annexure IV.** **Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (where it is due) accompanied**	Annexure IX	114

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BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

	mandatorily by the Limited Review Report of the auditor.		
10.	Statutory Auditor's Certificate confirming the compliance of the **accounting treatment** etc. as specified in Para (I)(A) (5)(a) of Annexure I of SEBI Circular no.CFD/DIL3/CIR/2017/21 dated March 10, 2017, as per the format given in **Annexure II of aforesaid SEBI circular. Format given in Annexure V**	Annexure X	115-118
11.	Detailed Compliance Report as per the format specified in Annexure IV of SEBI circular dated March 10, 2017 duly certified by the Company Secretary, Chief Financial Officer and the Managing Director, confirming compliance with various regulatory requirements specified for schemes of arrangement and all accounting standards (format attached as **Annexure VI).**	Annexure XI	119
12.	Report from the Committee of Independent Directors recommending the draft scheme taking into consideration, inter alia, that the scheme is not detrimental to the shareholders of the listed entity.	Annexure XII	120-122
13.	Complaint report as per Annexure III of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017(To be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website). Format given in **Annexure VII)**	Compliant Report will be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on the Exchange's Website as well as on company's Website.	
14.	If as per the company, approval from the Public shareholders through e-voting, as required under Para (I)(A)(9)(a) of Annexure I of SEBI Circular no.CFD/DIL3/CIR/2017/21 dated March 10, 2017, is not applicable then as required under Para (I)(A)(9)(c) of said SEBI circular, submit the following: a) An undertaking certified by the auditor clearly stating the reasons for non-applicability of Sub Para 9(a) b) Certified copy of Board of Director's resolution approving the aforesaid auditor certificate.	Not Applicable	
15.	If pursuant to scheme the allotment of shares is proposed to be made to a selected group of shareholders or to the shareholders of unlisted companies, pricing certificate from the Statutory Auditor / Practicing CA / Practicing CS of the listed company as per Provisions of SEBI (ICDR) Regulations is to be provided. [Kindly refer Reg.158 of SEBI (ICDR) Regulations. The	Please refer Annexure III	35-54

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BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

	relevant date for determining the price shall be the date of approval of the scheme by the BOD of the company.]		
16.	Name of the Designated Stock Exchange (DSE) for the purpose of coordinating with SEBI. Certified true copy of the resolution passed by the Board of Directors, in case BSE is DSE.	Please refer Annexure I	1-6
17.	Brief details of the transferee/resulting and transferor/demerged companies as per format enclosed at **Annexure VIII.**	Annexure XIII	123-126
18.	Brief details of the Board of Directors and Promoters of transferee/resulting and transferor/demerged companies as per format enclosed at **Annexure IX**	Annexure XIV	127-128
19.	Net-worth certificate (excluding Revaluation Reserve) together with related workings pre and post scheme for the transferee and / or resulting company.	Annexure XV	129-132
20.	Capital evolution details of the transferee/resulting and transferor/demerged companies as per format enclosed at **Annexure X.**	Annexure XVI	133-134
21.	Confirmation by the Managing Director/ Company Secretary as per format enclosed as **Annexure XI.**	Annexure XVII	135-136
22.	Annual Reports of all the listed transferee/resulting/demerged/etc. companies involved and audited financial of all the unlisted transferor/demerged/resulting/etc. companies for the last financial year.	Annexure XVIII	137-297
23.	a) Processing fee (non-refundable) will be payable to BSE as below, through **Online Payment Gateway (via Net Banking Facility) in Listing Centre portal**-Details given in **Annexure XII** Rs. 1,80,000/- plus GST as applicable, where one entities/companies are Merged or one new company formed due to De-merger Rs. 2,00,000/- plus GST as applicable, where more than one entity/company is Merged or more than one new company formed due to De-merger. b) Processing fee (non-refundable) payable to SEBI will be as below, through RTGS/NEFT/IMPS as per details given in **Annexure XII** or through DD **favoring 'Securities and Exchange Board of India" payable at Mumbai'** As per amendment in Regulation 37, the listed entity shall pay a fee to SEBI at the rate of 0.1% of the paid-up share capital of the listed / transferee / resulting company, whichever is higher, post sanction of the proposed scheme, subject to a cap of	Annexure XIX	298-300

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BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

	Rs.5,00,000.		
24.	In case of scheme of demerger, additional documents as per **Annexure XIII** are to be submitted.		NA
25.	a) In case NCRPS / NCDs are proposed to be issued to the shareholders of the listed entity and are to be listed, the company shall submit an undertaking signed by CS / MD of the company as per format attached in **Annexure XIV** confirming compliance with the requirements of SEBI circular dated May 26, 2017. b) In case a new unlisted company is seeking listing pursuant to scheme of arrangement but at least 25% of the post scheme paid up capital of the unlisted company does not comprise of shares allotted to the public shareholders in the listed transferor / demerged entity, the company shall submit the compliance with the requirements of SEBI circular Ref: CFD/DIL3/CIR/2017/105 dated September 21, 2017 by CS/MD and statutory auditor of the company.		NA
26.	If there are any pending dues / fines / penalties imposed by SEBI, Stock Exchanges and Depositories, submit a **'Report on the Unpaid Dues'** which shall contain the details of such unpaid dues in the format given in Annexure B of SEBI circular, **SEBI/HO/CFD/DIL1/CIR/P/2019/192** dated September 12, 2019 which is also attached as **Annexure XV** [Note: In case there are no pending dues as mentioned above, please confirm the same]	Annexure XX	301
27.	Name & Designation of the Contact Person Telephone Nos. (landline & mobile) Email ID	Daljeet Singh (company Secretary) Mobile No: 88720-16434 cs@bhandariexport.com	

We request you to take this on your record and give No Objection Certificate or Observation Letter for the Scheme of Merger.

Thanking You,
Yours' Faithfully,

For Bhandari Hosiery Exports Limited.

Daljeet Singh

Daljeet Singh,
Company Secretary

Bhandari Hosiery Exports Ltd.

Sustainable Innovation

Design • Fabric • Garments

(A GOVT. OF INDIA RECOGNISED EXPORT HOUSE)

R.O. : Bhandari House, Village Meharban, Rahon Road, LUDHIANA-141 007 (INDIA)

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E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com

(Corporate Identification No./CIN : L17115PB1993PLC013930)

CERTIFIED TRUE COPY OF RESOLUTION PASSED IN THE MEETING OF BOARD OF DIRECTORS OF THE COMPANY HELD ON MONDAY, 09TH DAY OF NOVEMBER, 2020 AT THE REGISTERED OFFICE OF THE COMPANY LOCATED AT BHANDARI HOSUE, VILLAGE MEHARBAN, RAHON ROAD, LUDHIANA.

The Chairman placed before the Board the draft Scheme of Arrangement for the merger of the 'Tikani Exports Limited' with Bhandari Hosiery Exports Limited" for their approval.

After deliberate discussions the following resolutions were passed:

"RESOLVED THAT, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), relevant provisions of the Memorandum and Articles of Association of the Company, subject to requisite approval of the shareholders and such other approvals, sanctions and permissions of the National Company Law Tribunal ("NCLT"), stock exchanges where the shares of the company are listed and other regulatory or government bodies/tribunals or institutions as may be applicable and pursuant to the recommendation of the Audit Committee, as per the terms and conditions mentioned in the Scheme of Merger (the Scheme) placed before the Board and initialled by the Chairman the Board of Directors hereby approve the draft Scheme of Arrangement ("Scheme") between Bhandari Hosiery Exports Limited ("Transferee Company) and Tikani Exports Limited (Transferor Company).

FURTHER RESOLVED that the Valuation Report dated 26.10.2020 prepared by Sh. Anil Rustgi, Registered Valuer for Financial Assets, on valuation of shares of M/s Bhandari Hosiery Exports Limited and Tikani Exports Limited, swap ratio and methodology adopted for valuation placed before the Board and initialled by the Chairman and Managing Director for the purpose of identification be and is hereby taken on record.

FURTHER RESOLVED that the Fairness opinion dated 27.10.2020 issued by M/s Sobhagya Capital Options Ltd., an Independent Merchant Banker on the Scheme and swap ratio placed before the Board and initialled by the Chairman and Managing Director for the purpose of identification be and is hereby taken on record.

FURTHER RESOLVED that the Certificate dated 07.11.2020 issued by M/s Krishan Goel and Associates, Chartered Accountants as required under para (5) of the Circular No.CIR/CFD/CMD/16/2015 dated so" November, 2015 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the accounting treatment contained in the draft scheme of amalgamation is in compliance with all accounting standards placed before the Board and initialled by the Chairman and Managing Director for the purpose of identification be and is hereby taken on record.

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

RESOLVED FURTHER THAT Sh. Nitin Bhandari Managing Director, Sh. Daljeet Singh, Company Secretary and/or Sh. Manoj Kumar, CFO of the Company be and are hereby severally authorized to take all the necessary steps for -

(a) BSE Ltd be and is hereby chosen as designated stock exchange (DSE) for the purpose of coordinating with SEBI to obtain approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(b) Filing of applications with the Hon'ble High Court/NCLT and/or such other competent authority as may be necessary and holding meetings of the shareholders/creditors of the Company as may be directed by the Hon'ble High Court/NCLT to give effect to the Scheme;

(c) Filing of petitions for confirmation of the Scheme with the High Court/NCLT and/or such other competent authority as may be necessary;

(d) For the above purposes, to engage advocates / Solicitors / and if considered necessary, also to engage services of counsel(s), declare and file all pleadings, reports, and sign and issue public advertisements and notices;

(e) Obtaining approval and represent before the Stock Exchanges, Registrar of Companies, Punjab, Regional Director Northern Region and such other relevant Authorities and entities including the shareholders and creditors etc. as may be necessary to give effect to the said Scheme of Merger;

(f) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme and to give effect to the above resolution;

(g) To sign and execute the request letters for obtaining the necessary No - Objection / sanction letters for the dispensation of the meetings of the shareholders/ creditors of the company for approving the Scheme of Merger and thereafter submit the same on receipt thereof to the High Court or any other appropriate authority;

(h) To produce all documents, matters or any other evidence in connection with the matters aforesaid and any other proceedings incidental thereto and arising there from;

(i) To take all procedural steps for having the Scheme of Merger sanctioned by the Hon'ble High Court/NCLT including filing necessary applications, affidavits, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary;

(j) To accept services of notices or other processes which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or persons concerned;

(k) To make any alterations / changes in the Scheme upon the recommendations / instructions of any of the authority(ies) including but not limited to the High Court/NCLT, as may be expedient or necessary which does not materially change the substance of the Scheme.

(l) To sign, execute, certify all applications, petitions, vakalatnamas, forms, affidavits, undertakings, resolutions and any other papers or documents relating to the Scheme and to file, submit, furnish all or any of such documents as are mentioned hereinbefore with respective authorities including but not limited to the High Court/NCLT, stock exchanges where the shares of the Company are listed, The Registrar of Companies, Punjab, The Regional Director, Northern region, and any concerned

Nitin Bhandari

BHANDARI ACCOTEX EXPORTS LTD. LUDHIANA

authorities and generally to do and execute all acts, matters, things, deeds and documents as may be necessary and expedient for the purpose of giving effect to the Scheme.

Certified to be true

For Bhandari Hosiery Exports Ltd.

Nitin Bhandari
Managing Director
DIN: 01385065
Add: Queens Enclave, South City,
Ayali Khurd, Ludhiana.

TIKANI EXPORTS LIMITED

Regd. Office : KH # 400/413, Bhandari House,
Village Meharban, Rahon Road, LUDHIANA-141007 (india)
Phones : +91-88720 16409, +91-88720 16410
E-mail : tikaniexport@gmail.com
CIN : U18202PB2019PLC049906)

CERTIFIED TRUE COPY OF RESOLUTION PASSED IN THE MEETING OF BOARD OF DIRECTORS OF THE COMPANY HELD ON MONDAY, 09TH DAY OF NOVEMBER, 2020 AT THE REGISTERED OFFICE OF THE COMPANY LOCATED AT KH 400/413 BHANDARI HOUSE, VILLAGE MEHARBAN, RAHON ROAD LUDHIANA PB 141007 IN.

The Chairman placed before the Board the draft Scheme of Arrangement for the merger of the 'Tikani Exports Limited' with Bhandari Hosiery Exports Limited" for their approval.

After deliberate discussions the following resolutions were passed:

"RESOLVED THAT, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), relevant provisions of the Memorandum and Articles of Association of the Company, subject to requisite approval of the shareholders and such other approvals, sanctions and permissions of the National Company Law Tribunal ("NCLT"), and other regulatory or government bodies/tribunals or institutions as may be applicable and pursuant to the recommendation of the Audit Committee, as per the terms and conditions mentioned in the Scheme of Merger (the Scheme) placed before the Board and initialled by the Chairman the Board of Directors hereby approve the draft Scheme of Arrangement ("Scheme") between Bhandari Hosiery Exports Limited ("Transferee Company) and Tikani Exports Limited (Transferor Company).

FURTHER RESOLVED that the Valuation Report dated 26.10.2020 prepared by Sh. Anil Rustgi, Registered Valuer for Financial Assets, on valuation of shares of M/s Bhandari Hosiery Exports Limited and Tikani Exports Limited, swap ratio and methodology adopted for valuation placed before the Board and initialled by the Director for the purpose of identification be and is hereby taken on record.

FURTHER RESOLVED that the Fairness opinion dated 27.10.2020 issued by M/s Sobhagya Capital Options Ltd., an Independent Merchant Banker on the Scheme and swap ratio placed before the Board and initialled by the Director for the purpose of identification be and is hereby taken on record.

FURTHER RESOLVED that the Certificate dated 07.11.2020 issued by M/s Vipan Kumar Aggarwal & Co, Chartered Accountants as required under para (5) of the Circular No.CIR/CFD/CMD/16/2015 dated 30th November, 2015 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the accounting treatment contained in the draft scheme of amalgamation is in compliance with all accounting standards placed before the Board and initialled by Director for the purpose of identification be and is hereby taken on record.

TIKANI EXPORTS LIMITED LUDHIANA

LUDHIANA

RESOLVED FURTHER THAT Sh. Nitin Bhandari Director, Company Secretary and/or Sh. Sudhansu Kumar Nayak. of the Company be and are hereby severally authorized to take all the necessary steps for

(a) Filing of applications with the Hon'ble High Court/NCLT and/or such other competent authority as may be necessary and holding meetings of the shareholders/creditors of the Company as may be directed by the Hon'ble High Court/NCLT to give effect to the Scheme;

(b) Filing of petitions for confirmation of the Scheme with the High Court/NCLT and/or such other competent authority as may be necessary;

(c) For the above purposes, to engage advocates / Solicitors / and if considered necessary, also to engage services of counsel(s), declare and file all pleadings, reports, and sign and issue public advertisements and notices;

(d) Obtaining approval and represent before the Stock Exchanges, Registrar of Companies, Punjab, Regional Director Northern Region and such other relevant Authorities and entities including the shareholders and creditors etc. as may be necessary to give effect to the said Scheme of Merger;

(e) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme and to give effect to the above resolution;

(f) To sign and execute the request letters for obtaining the necessary No - Objection / sanction letters for the dispensation of the meetings of the shareholders/ creditors of the company for approving the Scheme of Merger and thereafter submit the same on receipt thereof to the High Court or any other appropriate authority;

(g) To produce all documents, matters or any other evidence in connection with the matters aforesaid and any other proceedings incidental thereto and arising there from;

(h) To take all procedural steps for having the Scheme of Merger sanctioned by the Hon'ble High Court/NCLT including filing necessary applications, affidavits, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary;

(i) To accept services of notices or other processes which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or persons concerned;

(j) To make any alterations / changes in the Scheme upon the recommendations / instructions of any of the authority(ies) including but not limited to the High Court/NCLT, as may be expedient or necessary which does not materially change the substance of the Scheme.

(k) To sign, execute, certify all applications, petitions, vakalatnamas, forms, affidavits, undertakings, resolutions and any other papers or documents relating to the Scheme and to file, submit, furnish all or any of such documents as are mentioned hereinbefore with respective authorities including but not limited to the High Court/NCLT, stock exchanges where the shares of the Company are listed, The Registrar of Companies, Punjab, The Regional Director, Northern region, and any concerned authorities and generally to do and execute all acts, matters, things, deeds and documents as may be necessary and expedient for the purpose of giving effect to the Scheme.

TIKANI EXPORTS LIMITED LUDHIANA

LUDHIANA

Certified to be true

For Tikani Exports Limited

Nitin Bhandari
Director
DIN: 01385065
Add: Queens Enclave, South City,
Ayali Khurd, Ludhiana.

SCHEME OF AMALGAMATION

(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND ANY OTHER APPLICALE PROVISIONS OF THE ACT)

OF TIKANI EXPORTS LIMITED

INTO AND WITH

BHANDARI HOSIERY EXPORTS LIMITED

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

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BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

PART-I

1. INTRODUCTION AND DEFINITIONS

1.1. Introduction

1.1.1. BHANDARI HOSIERY EXPORTS LIMITED ("BHEL"):

(i) BHEL ("**Transferee Company**") is a public limited company within the meaning of the Act, having its registered office at Bhandari House, Rahon Road, Village Mehraban, Ludhiana-141007 Pb (India). Equity Shares of BHEL are listed at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Transferee Company was incorporated on November, 25, 1993, under the name and style of Bhandari Hosiery Exports Limited with CIN L17115PB1993PLC013930 BHEL holds PAN AAACB6724D, TAN JLDB00646C and GST Registration No. 03AAACB6724D1ZA, Industrial License no. 462/SIA?IMO/2014 and IEC CODE-3093006996.

(ii) The Transferee Company- commenced its operations in 25.11.1993 and is primarily involved in manufacturing and Export of Knitted Hosiery Garments, Knitted Hosiery Cloth, Fabric Dyeing and processing and manufacture of Garments etc. since then.

1.1.2 TIKANI EXPORTS LIMITED ("TEL"):

TEL ("Transferor Company") is a public limited company within the meaning of the Act, having its registered office at 400/413, Bhandari House, Rahon Road, Village Meharban, Ludhiana-141007 PB (INDIA). The Transferor Company was incorporated on August 23, 2019, under the name and style of Tikani Exports Limited with CIN is U18202PB2019PLC049906. TEL holds PAN AAHCT4829J TAN JLDT02630F, GST Registration No.03AAHCT4829J1Z6 and UDHYOG AADHAR No. PB12B0061514

(i) **TEL** is primarily engaged in textile activities comprising of knitting cloth, fabric dyeing, processing and manufacture of garments.

1.2 Objects and benefits of the Scheme:

1.2.1 The Transferor Company and the Transferee Company propose through this Scheme (as defined hereinafter) to merge I Amalgamate the Transferor Company (TEL) with the Transferee Company (BHEL) pursuant to and under the provisions of Sections 230 to 232 of the Companies Act, 2013 ("2013 Act/the Act") and the relevant provisions made thereunder and/or any other applicable provisions of the Act, in the manner provided for in the Scheme.

1.2.2. Amalgamation of the Transferor Company with the Transferee Companies shall result in:
(i) Consolidation of the businesses presently being carried on by the Transferor Company and

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

the Transferee Company, which would create greater synergies between the businesses of both the companies and would enable them to have access to better financial resources, as well as increase the managerial efficiencies and save on cost.

(ii) Combined entity would be able to optimize the overall administration and effectively take care of the statutory compliances.

(iii) Focused management and optimum utilization and reflection of the combined assets and resources of the Transferee Company and the Transferor Company.

(iv) Long term and permanent benefits of share holders, creditors, employees of the transferor company and the transferee company, as it would result in consolidation and enhancement of shareholder value.

1.3 Definitions

1.3.1 In this Scheme, unless repugnant to the subject, context or meaning thereof, the following words and expressions shall have the meanings as set out herein below:

(i) **"Act"/2013 Act** means the Companies Act, 2013, as amended or substituted by any statutory modification/ re-enactment thereof;

(ii) **"Appointed Date"** means April 1, 2021 or such other date as may be determined by the Board of the Transferor Company and the Transferee Company or such other date as may be approved by the Hon'ble NCLT of Chandigarh (Chandigarh Bench);

(iii) **"Applicable Law(s)" or "Law"** means any statute, notification, by-laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, directives, notices, orders or instructions enacted or issued or sanctioned by any appropriate authority, including any modification or re-enactment thereof for the time being in force;

(iv) **"Board of Directors"** in relation to the Transferor Company and/or the Transferee Company, as the case may be, shall mean their respective board of directors, and unless it be repugnant to the context or otherwise, shall include any committee of directors or any person authorized by the board of directors or by such committee of directors;

(v) **"BSE"** means BSE Limited;

(vi) **"Effective Date"** means the last of the date on which the certified copy of the Order of the Hon'ble NCLT of Chandigarh is filed with the Registrar of Companies of Chandigarh, by the Transferor Company and Transferee Company. Any references in the Scheme to **"upon the Scheme becoming effective" or "effectiveness of the Scheme"** shall mean and refer to the Effective Date;



(vii) **"Government"** means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof.

(viii) **"IT ACT"** means the Income Tax Act, 1961 and any other statutory modifications, amendments, restatements or re-enactments thereof from time to time and to the extent in force.

(ix) **"NSE"** means National Stock Exchange of India Limited;

(x) **"RECORD DATE"** means the date to be fixed by the Board of Directors of the Transferor Company and/or the Transferee Company, with reference to which the eligibility of the shareholders of the Transferor Company, for allotment of shares in the Transferee Company pursuant to the Amalgamation in terms of this Scheme, shall be determined.

(xi) **"ROC" or "Registrar of Companies"** means the registrar of companies, Chandigarh and Punjab having jurisdiction over both the transferor company and the transferee company.

(xii) **"SEBI'** means the Securities and Exchange Board of India;

(xiii) **"Stock Exchanges"** means the NSE and BSE;

(xiv) **"Scheme"** shall mean this Scheme of Amalgamation in its present form (along with any annexure, schedules, etc, attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions from the NCLT and the regulatory authorities as may be required under the Act and under all applicable laws;

(xv) **"Transferee Company"** shall mean BHEL, as mentioned under Clause 1.1.1 hereof.

(xvi) **"Transferor Company"** shall mean TEL as mentioned in Clause 1.1.2 hereof.

(xvii) **"Transferor Company's Business"** shall mean the entire business of the transferor company and shall include:

a. any and all of its assets, movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, continuing rights, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold, machinery, whether leased or otherwise, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;

b. any and all of its investments (including shares and other securities), loans and advances, including dividends declared or interest accrued thereon;

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c. any and all of its licences, including the licences granted by any governmental, statutory or regulatory bodies, permissions, approvals, consents, exemptions, subsidies, registrations, no-objection certificates, quotas, rights, entitlements, certificates, tenancies, trade names, trademarks, service marks, copyrights, domain names, applications for trade names, copyrights, patents and applications for patents, all indirect and direct tax credits including but not limited to Service Tax credit, CENVAT credit, Goods and Services Tax credit, VAT credit, IGST, CGST, SGST, Income-Tax carry forward losses/depreciation, Tax Deducted at Source ('TDS'), MAT credit entitlement etc., privileges and benefits of all contracts, agreements and all other rights including lease rights, powers and facilities of every kind and description whatsoever; .

d. any and all of its debts, borrowings and liabilities, present or future, whether secured or unsecured;

e. any and all of its employees, who are on its payrolls, including those employed at its offices and branches; and

f. any and all of the advance monies, earnest monies and/or security deposits, payment against warrants or other entitlements, as may be lying with them;

(xviii) **"TRIBUNAL"** means the Hon'ble National Company Law Tribunal, Chandigarh.

The expressions, which are used in the Scheme and not defined therein shall unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961 and other applicable laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the NCLT in the Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal ("NCLT") or such other forum or authority, as may be vested with any of the powers of a relevant NCLT under Sections 230 to 232 of the 2013 Act and/or any other applicable provisions of the Act.

1.4 INTERPRETATIONS

In this Scheme, unless the context otherwise requires:

1.4.1 References to the singular include a reference to plural and vice-versa and reference to any gender include all other genders;

1.4.2 References to persons shall include individuals, firms, body corporate (whether incorporated or un-incorporated), associations and partnerships;

1.4.3 The headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;

1.4.4 References to a clause or paragraph or Schedule as applicable shall be deemed to be reference to a clause or paragraph or Schedule of this Scheme;

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1.4.5 Any phrase introduced by the terms "including" or "include" or "inter alia" or any similar expressions shall be constructed as illustrative and shall not limit the meaning of the words proceeding those terms.

1.4.6 References to dates and times shall be construed to be references to Indian dates and times;

1.4.7 References to a document include an amendment or supplement to, or replacement or notation, of that document;

1.4.8 References to the words 'hereof, 'herein' and 'hereby' and derivatives or similar words refer to this entire Scheme;

1.4.9 Word(s) and expressions(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them.

1.5 DATE OF TAKING EFFECT AND OPERATIVE DATE:

The Scheme set out herein in its present form shall be effective from the appointed date of Amalgamation, upon occurrence of the Effective Date.

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PART- II

2 CAPITAL STRUCTURE

2.1 Transferee Company "BHEL"

The capital structure of the Transferee Company, as of March 31, 2020, is as under:

Particulars	Amount in (Rs.)
Authorised Capital:	
25,00,00,000. Equity Shares of Re.1/- each	25,00,00,000.00
Total	25,00,00,000.00
Issued, Subscribed and Paid-up Capital:	
14,65,26,950 Equity Shares of Re.1/- each fully paid up	14,65,26,950.00
Total	14,65,26,950.00

Post March 31, 2020 BHEL has not issued any fresh equity shares or preference shares and hence as on the date of this Scheme being approved by the Board, there is no change in the authorized, issued, subscribed and paid up share capital of BHEL.

2.2 Transferor Company "TEL"

The Capital structure of the Transferor Company, as of March 31, 2020, is as under:

Particulars	Amount in (Rs)
Authorised Capital:	
23,15,00,000 Equity Shares of Rs. 10/- each	23,15,00,000.00
Total	23,15,00,000.00
Issued, Subscribed and Paid-up Capital:	
23,13,46,000 Equity Shares of Rs. 10/- each fully paid up	23,13,46,000.00
Total	23,13,46,000.00

Post March 31, 2020 TEL has not issued any fresh equity shares or preference shares and hence as on the date of this Scheme being approved by the Board, there is no change in the authorized, issued, subscribed and paid up share capital of TEL.

It is further clarified that up to the date of scheme becoming effective, capital structure of the Transferor Company and also of the Transferee Company would remain unchanged.

2.3 OBJECTS

2.3.1 The Main Objects of the Transferor Company as set out in Its memorandum of Association are as follows:

1. To acquire and takeover as a going concern the business now being carried on at Ludhiana under the name & style of "**Bhandari Knit Exports**", the Partnership Firm incorporated on 06th December,1996 (having the deed amended from time to time) under the Partnership Act,1932 and having the firm registration no. **332 of 2013-14** with the Registrar of Firms at Chandigarh,

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together with all of the assets including land & building, plant & machinery and other assets and liabilities of that partnership business used in connection therewith or belonging thereto with effect from such date and upon such terms and conditions as may be negotiated and decided by the Directors of the Company, for consideration either by way of allotment of shares in the Company or in cash or partly in one way and partly in other and after such takeover the above firm shall cease to exist.

2. To carry on the business of manufacturing, producing, processing, spinning, weaving, combing, knitting, dyeing, bleaching, finishing, buying, selling, importing, exporting, and dealing as wholesalers, retailers, commission agents, brokers or distributors in all kinds of yarns, tops, fibers whether synthetic, artificial or natural, cotton, wool. Worsted, shoddy, silk, Jute, linen, viscose, rayon, Nylon, Polyester, Acrylic, polypropylene, polynosic or fibrous materials, textiles, substance, Allied products, by products, waste products and substances for all or any of them and further to carry on the business of cultivation of such raw materials.

3. To carry on the business of spinners , weavers, knitters, combers, manufacturers, producers, processors, importers, exporters, buyers, sellers, of all kinds of yarn & fabric and deals in all kinds of yarns fiber and fabrics, blankets, home furnishings whether synthetic, artificial, manmade or natural, doublers, nylon, acrylic, polyester, rayon, silk, artificial silk, linen, cotton, wool jute and any other fiber or fibrous material whether synthetic, artificial or natural, textile substance, allied product, by-products and substitutes for all or any of them and to treat and utilize any waste arising from any such manufacture production or process whether carried on by the company or otherwise.

4. To manufacture, make , produce , cultivate, process, re-process, consume , formulate, prepare, bale, double, cure, comb, blend, spin, weave, gin, refine, alter, convert, exchange, pack, bleach, dye, print, tuft, buy, sell, store, supply, distribute, finish, scour, size, and otherwise deal in all kinds, descriptions, and grade of cotton, silk, linen, nylon, terene, terelene, rayon, jute, hemp, textiles, flax, silk, wool, yarn threads, hair, coir, sisal, fiber and fibrous substances, wool hairs, carpets, druggest, rugs, floor coverings, linen, cloth, textile, fabric, felted, Netted, looped or flocked, staple fiber, other natural, synthetic, man made fibers and/or fibrous substances including polyesters, poly-acryulonitrate, polyvinyl, acetate, cashmilion, acrylic, fabrics, poly propylene, polymers, monomers, elastomers and resins of all grades and compolymers formulations and forms or as processed goods, polythelene, polytherene, polyvinyl, chloride, polymethyl, methacylate, epoxy resins, alykyed resins, melamine polycarbonate, polyamides and all other fibres, allied products, bye-products and substitute for or any of them, or dealers of materials from the waste realized from the above mentioned products either on its own account or on commission basis.

2.3.2 The Main Objects of the Transferee Company as set out in Its memorandum of Association are as follows;



1. To acquire and takeover as a going concern the business now being carried on Ludhiana under the name & style of "Bhandari Hosiery Exports Limited" together with all or any of the assets, rights, privileges and liabilities of that partnership business used in connection therewith or belonging thereto with effect from such date and upon such terms and conditions as may be negotiated and decided by the Directors of the Company, for consideration either by way of allotment of shares in the Company or in cash or party in one way and party in other and after such takeover the above firm shall cease to exist.

2. To manufacture, make, produce, cultivate, process, re-process, consume, formulate, prepare, bale, double, cure, comb, blend, spin, weave, gin, refine, alter, convert, exchange, pack, bleach, dye, print, tuft, buy, sell, store, supply, distribute, finish, scour, size and otherwise deal in all kinds, descriptions and grades of cotton, silk, linen, nylon, terene, terelene, raylon, jute, hemp, textile, flax, silk, wool, yarn threads, hair, coir, sisal, fiber and fibrous substances, wool hairs, carpets, druggist, rugs, floor conversing, lines, cloth, textile, fabric, felted, netted, looped, of flocked, staple fibre, other natural, synthetic, man-made fibres and/or fibrous substances including polyester, poly-acryulonitrate, polyvinyl, acetate, cashmillion, acrylic, fabrics, poly propylene, polymers, monomers, elastomers and resins of all grades and complymer formulations and forms or as processed goods, polyethylene, polythrene, polyvinyl, chloride, polymethyl, methacylate, epoxy resins, alykyed resins, melamine polycarbonate, polyamides and all other fibres, allied products, bye-products and substitute for or any of them , or dealers of material from the waste realized from the above mentioned products either on its own account or on commission basic .

3. To carry on the business as drapers, dealer, manufacturers, importers, exporters, preparers, buyers, sellers, merchants and financiers of furnishing fabrics, readymade garments, apparel, outfit, knitwear, dress and mantile makers, silk mercers and suppliers of clothing waste, shawls, mufflers, socks, jerseys, rayon, staple, lingerie, carpets, blankets, line cloth and trimmings of every kind furners, drapers, haber dashers, milliners, hosiers, gloves makers, lace makers, rope makers, felt and tarpaulin makers, feather dressers, tapes and such other articles as may be conveniently produced or manufactured and other woven and knitted fabrics and fabricated goods of all description and other products goods, articles and things as are made from or with cotton, raw cotton, jute, silk, wool, nylon, acrylics, rayon, polyester, velvet or any other type of man-made fabrics by whatever name called or made under any process, whether natural or artificial and by mechanical or other means, dealers in and manufacturers of yarn, fabrics and dealers of materials of all kinds.

4. To carry on the business of manufacturing machinery or providing consultancy or to render designing and engineering services and provide technical know-how to run and maintain plants and machinery for manufacture of all or any of the above types of goods, materials, raw-materials thereof.



5. To carry on the business of dealers, exporters and importers, processors, representatives, agents of all kinds of goods and merchandise whether manufactured by the company or not and as financiers thereof.

6. To establish, purchase, sell, take or lease, hire or otherwise acquire and work any textile mills, handlooms, power looms, cotton, ginning and pressing factory, jute, hemp or other fibre presses, spinning mills, weaving mills, waste plant process, for pressing merchandise into bales process, buy, sell, import, export, pledge, speculate enter into forward transaction or otherwise deal in jute, cotton, kapas, cotton, seed, flex, hemp, silk and products made thereof.

2.4 Directors

2.4.1 Transferor Company;

Sr. No.	Name	Address	Status
1	Nitin Bhandari	Queens Enclave, South City, Ayali Khurd, Ludhiana, Punjab	Promoter Director
2	Kusum Bhandari	Queens Enclave, South City, Ayali Khurd, Ludhiana, Punjab	Promoter Director
3	Rajesh Kumar	Village Janhan Post Office Samtana, Tehsil Barsarm, Janen(34/98), Samtana Kalan, Hamirpur, Himachal Pradesh, India, 176042	Non Executive Independent Director
4	Parveen Malhotra	5210, Anand Nagar, Haibowal Kalan, Ludhiana-141001.	Non Executive Independent Director

2.4.2 Transferee Company:

Sr. No.	Name	Address	Status
1	Nitin Bhandari	Queens Enclave, South City, Ayali Khurd, Ludhiana, Punjab	Promoter & Managing Director
2	Vikas Nayar	127, Sector 18 A, Chandigarh, 160018	Non Executive Director
3	Surinder Kumar Kapoor	#66 Gole Puli Talab Tilo, Jammu, India-180001	Independent Professional Director
4	Rajesh Kumar	Village Janhan Post Office Samtana, Tehsil Barsarm, Janen(34/98), Samtana Kalan, Hamirpur, Himachal Pradesh, India, 176042	Non Executive Director
5	Geetika Bhalla	U-468, Vishakha Enclave, Pitam Pura, North West Delhi, India, 110088	Independent Woman Director

2.5 DISCLOSURES

2.5.1 No investigation or proceedings under the Act are pending against the Transferor Company and the Transferee Company.

2.5.2 Following documents are available for inspection by the members and creditors at the Registered Office of the Transferor Company and Transferee Company:

- Audited Financial Statements for the year ended 31 March 2020 of Transferor Company and Transferee Company
- Copy of Scheme of Amalgamation/Merger
- Certificate issued by the Auditor of the Transferee Company to the effect that the accounting treatment proposed in the Scheme is in conformity to the Accounting Standards prescribed u/s 133 of the Act.

2.5.3 This Scheme does not involve any reduction in the share capital of the Transferor Company and Transferee Company.

2.5.4 No Capital or Debt restructuring has been done by the Transferor Company and Transferee Company.

2.5.5 There has been no change of name or objects of the Transferor Company or the Transferee Company.

PART-III

3 MERGER OF TRANSFEROR COMPANY WITH TRANSFEREE COMPANY

3.1 Transfer and vesting of Assets and Liabilities and entire business of Transferor Company:

Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the assets and liabilities and the entire business of the Transferor Company shall, pursuant to the provisions of Section 230 to 232 of the Act and other applicable provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company, as a going concern, So as to become the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

Further, this clause of the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any term(s) or provision(s) of the Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modifications will, however, not affect the other clauses of the Scheme.

Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date and upon this Scheme becoming effective:

(i) All assets of the Transferor Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual or constructive delivery and/or by endorsement and delivery or by vesting and recorded pursuant to the Scheme, shall stand vested in the Transferee Company and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub- clause shall be deemed to have occurred by manual or constructive delivery or by endorsement and delivery, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

(ii) All other movable properties of the Transferor Company, including investments in shares and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies corporate, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company and the same shall also be deemed to have been transferred by delivery of possession of the respective documents in this regard. No stamp duty is payable on the transfer of such movable properties, being vested in the Transferee Company.

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(iii) All immovable properties, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to and exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon the Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the NCLT in accordance with the terms hereof without payment of any stamp duty.

(iv) Investment of Transferee Company in Transferor Company, if any, shall stand cancelled upon the Scheme becoming effective as Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective.

(v) All debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.

However, any loans, advances and other obligations due from the Transferee Company to the Transferor Company, or vice versa, and between the Transferor Company inter se shall stand cancelled and shall be of no effect.

(vi) Any and all registrations, goodwill, licences, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trademarks, patents, applications for patents (including listed in Annexure 1) appertaining to the Transferor Company shall stand transferred to and vested in the Transferee Company.

(vii) All estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Transferor Company shall be deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 230 to 232 of the 2013 Act and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become

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the estates, assets, right, title, interests and authorities of the Transferee Company.

3.2 Secured Creditors

Upon the Scheme becoming effective, the secured creditors of the Transferor Company, if any, shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferor Company (to whom such creditors had advanced the facilities), as existing immediately prior to the Amalgamation of such Transferor Company with the Transferee Company. It is hereby clarified that pursuant to the Amalgamation of the Transferor Company with the Transferee Company, the secured creditors of the Transferor Company shall not be entitled to any further security over the properties, assets, rights, benefits and interest of the Transferee Company and hence such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by the Transferee Company after the sanction of the Scheme. For this purpose, no further consent from the existing secured creditors shall be required and sanction of the Scheme shall be considered as a specific consent towards the same.

3.3 Contract Deeds & Documents

3.3.1 The Transferor Company and/or the Transferee Company, as the case may be, shall, at any time after the coming into effect of the Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions hereof, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

3.3.2 All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licences, including the licences granted by any governmental, statutory or regulatory bodies, including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which, the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. In relation to the same any procedural requirements required to be fulfilled by the Transferor Company shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company.

3.4 Consents, Approvals, Benefits etc.

3.4.1 The Transferor Company and/or the Transferee Company, as the case may be, shall, at any time after the coming into effect of the Scheme in accordance with the provisions hereof, if so

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required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences and certificates which were held or enjoyed by the Transferor Company. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

3.4.2 All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences, including the licences granted by any governmental, statutory or regulatory bodies, and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of the Scheme by the NCLT, and upon the Scheme becoming effective in accordance with the terms hereof. For this purpose the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

3.4.3 Benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, including without limitation, approvals under sections 180, 181, 185 and 186 or any other sections of the 2013 Act as and to the extent applicable and any other applicable provisions of the Act, read with the rules and regulations made there under, shall stand transferred to the Transferee Company, as the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company.

3.4.4 The company shall obtain shareholders approval by way of special resolution passed through postal ballot/ e-voting for the draft scheme at general meeting.

Further, the company shall proceed with the draft scheme only if the vote cast by the public shareholders in favour of the proposal is more than the number of votes cast by public shareholders against it.

3.5 All Taxes, Duties, Cess etc.

3.5.1 All taxes (including but not limited to advance tax, tax deducted at source, Minimum Alternate Tax credit, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, Goods and

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Services Tax, IGST, CGST, SGST, wealth tax, etc,) payable by or refundable to the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims as the case may be of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, etc., as would have been available to the Transferor Company, shall pursuant to sanction of the Scheme, be available to the Transferee Company.

3.6 STAFF, WORKMEN AND EMPLOYEES OF THE TRANSFEROR COMPANY

3.6.1 Upon the Scheme becoming effective, all employees of the Transferor Company, if any shall be deemed to have become employees of the Transferee Company without any interruption of service and on the basis of continuity of service and on the same terms and conditions as those were applicable to them with reference to the transferor company on the Effective Date. The Services of such employees with transferor Company on the Effective Date shall be taken into account for the purpose of all benefits to which the employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.

3.6.2 Upon the Scheme becoming effective, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of the Transferor Company shall be made by the Transferee Company in accordance with the provisions of such schemes or funds and Applicable Laws.

3.6.3 Subject to Applicable Laws, the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Transferor Company for the employees shall be continued on the same terms and conditions and be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, Staff welfare scheme, etc. being maintained by the Transferee Company without any separate act or deed/approval and the Transferee Company shall stand substituted for the Transferor Company for all purposes, whatsoever in relation to the administration or operation of all such funds, Schemes and benefits, in accordance with the terms provided in the respective documents pertaining to such funds, schemes and benefits. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds, schemes and benefits shall become those of the Transferee Company. Where applicable, trustees including the Board of Directors of the Transferor Company and the Transferee Company shall be entitled to adopt such course in this regard as may be advised. Provided however that there shall be no discontinuation or breakage in the services of the employees of the Transferor Company.

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3.7 LEGAL PROCECDINGS

3.7.1 Upon occurrence of the Effective Date and with effect from the Appointed Date the Transferee Company shall bear the burden and the benefits of any legal or other proceedings initiated by or against the Transferor Company.

3.7.2 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the transfer or such Transferor Company's Business or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against such Transferor Company as if this Scheme had not been made. Upon the Scheme becoming effective, the Transferee Company undertakes to have such legal or other proceedings initiated by or against the Transferor Company, transferred in its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company. The Transferee Company also undertakes to handle all legal or other proceedings which may be initiated against the Transferor Company after the Effective Date relating to the Transferor Company in respect of the period up to the Effective Date, in its own name and account and further undertakes to pay all amounts including interest, penalties, damages, etc. which the Transferor Company may be called upon to pay or secure in respect of any liability or obligation relating to the Transferor Company for the period up to the Effective Date. In the event that the legal proceedings referred to herein require the Transferor Company to be treated as party thereto the Transferee Company shall be added as party to such proceedings.

3.7.3 On and from the effective date the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the business of the Transferor Company.

3.8 Conduct of Businesses till Effective Date

3.8.1 With effect from the Appointed Date and upto and including the Effective Date:

(i) The Transferor Company undertake to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Transferee Company;

(ii) All profits or income accruing or arising to the Transferor Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, goods and services tax, IGST, CGST, SGST, value added tax, sales tax, service tax, etc.) or losses arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Transferee Company;

(iii) The Transferor Company shall carry on its business with reasonable diligence and business

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prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except-.

(a) when the same is expressly provided in the Scheme; or

(b) when the same is in the ordinary course of business as carried on by Transferor Company, as on the date of filing of the Scheme in the NCLT; or

(c) When written consent of the Transferee Company has been obtained in this regard or when the transaction is with the Transferee Company itself.

(v) the Transferor Company shall not alter or substantially expand or diversify its businesses, except with the written concurrence of the Transferee Company;

(vi) all profits accruing to the Transferor Company and all taxes thereon or losses arising in or incurred by them with respect to its businesses shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Transferee Company; and

(vii) With effect from the Effective Date, the Transferee Company shall carry on and shall be authorized to carry on the businesses of the Transferor Company.

3.8.2 Upon the Scheme becoming effective and for the purpose of giving effect to the Amalgamation order passed under Sections 230 to 232 of the 2013 Act and other applicable provisions of the Act in respect of the Scheme by the NCLT, the Transferee Company shall, at any time pursuant to the orders on the Scheme, be entitled to get the recorded of the change in the legal right(s) upon the Amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the 2013 Act and/or any other applicable provisions of the Act. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of the Scheme.

3.8.3 Upon the Scheme becoming effective the Transferee Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Transferor Company with effect from the Appointed Date, in order to give effect to the foregoing provisions in the ordinary course of business and as per existing terms and conditions of sanctions.

3.9 Upon the Scheme becoming effective, shareholders of the Transferor Company as on the

LUDHIANA

Record Date shall be entitled for shares of Transferee Company as per Para 4.2.1 of the Scheme (in lieu of the shares allotted to such shareholders by Transferor Company upto the Effective Date) subject to Para 4.3.6 of the Scheme.

3.10 Upon the Scheme becoming effective, the Transferor Company shall stand dissolved, without any further act or deed, without being wound-up.



PART IV

4. REORGANISATION OF CAPITAL, CONSIDERATION, ACCOUNTING TREATMENT

4.1 Changes in Share Capital

4.1.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the authorized share capital of the Transferor Company shall stand transferred to and be merged with the authorized share capital of the Transferee Company, without any liability for payment of any additional fees or stamp duty.

4.1.2 Upon the Scheme coming into effect and with effect from the Appointed Date, (and consequent to consolidation of the existing authorized share capital of the Transferor Company in accordance with Clause 4.1.1 above), the paid up share capital of the Transferee Company is Rs. 14,65,26,950 [Rupees Fourteen Crores Sixty Five Lacs Twenty Six Thousand Nine Hundred Fifty only] (divided into 14,65,26,950 equity shares of Rs. 1/- each), shall stand enhanced to an aggregate amount of Rs. 20,73,96,170 (Rs. Rupees Twenty Crores Seventy Three Ninety Six Thousand One Hundred Seventy only) and the authorized share capital of the Transferee Company shall be reclassified as divided into 25,00,00,000/- equity shares of Re. 1/- each aggregating to Rs. 25,00,00,000/- (Rupees Twenty Five Crores only). Accordingly, Clause V of the Memorandum of Association of the Transferee Company shall stand modified and reclassified as necessary and be substituted by the following:

"The Authorised share capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crore only) divided into 25,00,00,000/- (Twenty Five Crores equity shares of Re. 1/- each)

4.1.3 It is hereby clarified that for the purposes of this Clause, the consent of the shareholders of the Transferor Company and the Transferee Company to the Scheme shall be deemed to be sufficient for purposes of effecting this amendment and that no further resolution under Sections 13, Section 61, Section 62 of the 2013 Act or any other applicable provisions of the Act, would be required to be separately passed, nor any additional registration fee, stamp duty, etc, shall be payable by the Transferee Company.

4.2 Issue of shares by Transferee Company

4.2.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of all the assets and liabilities of the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot Share(s) to the Shareholders of the Transferor Company, whose names appear in the Register of Members as on the Record Date, subject to inter-company investment cancellation as per Para 4.3.6 of the Scheme, in the following ratio:



"The Transferee Company will issue 2.63 Equity Share of Rs. 1/= each, credited as fully paid up, for every 1 Equity Shares of Rs. 10/- each held in the Transferor Company"

4.2.2 Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.

4.2.3 The Equity Shares to be issued in terms of Para 4.2.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company. New Equity Shares shall rank pari passu in all respects, including dividend, with the existing Equity Shares of the Transferee Company.

4.2.4 The issue and allotment of Equity Shares by the Transferee Company, as provided in this Scheme, is an integral part thereof. The members of the Transferee Company, on approval of the Scheme, shall be deemed to have given their approval under sections 42 and 62 of the Companies Act, 2013, and other applicable provisions, if any, for issue of fresh Equity Shares in terms of this Scheme.

4.2.5 New Equity Shares to be issued by the Transferee Company in lieu of shares held in Transferor Company shall be issued in dematerialized form with the equity shares being credited to the existing depository account of the Equity Shareholders of the Transferor Company entitled thereto, unless otherwise notified in writing by the shareholders of the Transferor Company to the Transferee Company on or before the Record Date.

4.2.6 In terms of the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreement, SEBI Regulations, SEBI Circulars and other applicable provisions, if any, new Equity Shares to be issued by the Transferee Company to the Shareholders of the Transferor Company, pursuant to this Scheme, shall be listed on all the Stock Exchanges on which the Equity Shares of the Transferee Company are listed as on the Effective Date. The Transferee Company will make necessary application(s) to the Stock Exchanges and other competent authorities, if any, for this purpose and will comply with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Listing Agreement, miscellaneous SEBI Regulations, SEBI Circulars and other applicable provisions, if any, in this regard.

4.2.7 Shares allotted pursuant to this Scheme may remain frozen in the Depositories system till listing/trading permission is given by the Stock Exchanges. The Transferee Company will comply with the applicable provisions in this regard.

4.2.8 BSE Limited or NSE Limited shall be the Designated Stock Exchange for the purposes of

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this Scheme.

4.3 Accounting Treatment

4.3.1 The Transferee Company, subject to the provisions of this Scheme, shall follow the method of accounting as prescribed for the "Pooling of Interest Method" under the Indian Accounting Standard 103- 'Business Combination' notified under Section 133 of the 2013 Act read with relevant rules issued there under and other applicable accounting standards prescribed under the 2013 Act.

4.3.2 The Transferee Company shall, upon the Scheme becoming effective record the assets and liabilities of the Transferor Company at their respective carrying values and in the same form as appearing in its books of accounts on the Appointed Date.

4.3.3 The balance of the earnings in the books of Transferor Company as on the Appointed Date shall be aggregated with the corresponding balance of earnings of the Transferee Company. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company. As a result of preserving the identity, reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend after the business combination.

4.3.4 Upon this Scheme becoming effective, Face value of equity shares issued by Transferee Company to the shareholders of the Transferor Company shall be recorded equity share capital of the Transferee Company.

4.3.5 Upon this Scheme becoming effective, all inter-company balances between the Transferor Company and Transferee Company, if any on the Effective Date, shall stand cancelled.

4.3.6 Upon this Scheme becoming effective, all the inter-company investments between the Transferor Company and the Transferee Company as on the Effective Date will stand cancelled without any further application, act, instrument or deed.

4.3.7 Upon this Scheme becoming effective, difference between the consideration discharged by the Transferee Company pursuant to Clause 4.2.1 above and the carrying amount of net assets of Transferor Company transferred and recorded by Transferee Company as aforesaid after taking into consideration the cancellation of inter-company balances and inter-company investments as per Clause 4.3.5 and 4.3.6 above shall be transferred to Capital Reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes of the Transferee Company.

4.3.8 Upon this Scheme becoming effective In case any difference in accounting policies

between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company will prevail and impact of the same till the Appointed Date will be quantified and the same shall be appropriately adjusted and reported in accordance with applicable accounting rules and principles, so as to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.

PART-V

5. GENERAL TERMS AND CONDITIONS

5.1 Upon this scheme becoming effective, the accounts of the Transferee Company as on the Appointed Date shall be reconstructed in accordance with the terms of this scheme.

5.2 Upon the sanction of the Scheme and after the Scheme has become effective, with effect from the Appointed Date, the Amalgamation of the Transferor Company with the Transferee Company shall be deemed to have occurred in compliance with Section 2(1B) of the Income Tax Act, 1961, in accordance with the Scheme.

5.3 Upon this scheme becoming effective, The Transferee Company shall be entitled to revise its income tax returns, TDS Certificates, TDS returns, and other statutory returns as may be required under respective statutes pertaining to indirect taxes, such as goods and services tax, sales-tax, VAT, excise duties, etc., and shall have the right to claim refunds, advance tax credits, credit of tax under section 115JB, credit of tax deducted at source, credit of foreign taxes paid/withheld etc, if any, as may be required consequent to implementation of the Scheme.

5.4 Upon this scheme becoming effective, The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make respective applications to the NCLT, under Sections 230 to 232 of the 2013 Act and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and/or conducting the meetings of the classes of their respective members and/or creditors and for sanctioning the Scheme with such modifications, as may be approved by the NCLT.

5.5 Upon the Scheme being approved by the requisite majority of the members and creditors of the Transferee Company and by the members and creditors (wherever required) of the Transferor Company, the Transferee Company and the Transferor Company shall, with all reasonable dispatch, file respective petitions before the NCLT for sanction of the Scheme under Sections 230 to 232 of the 2013 Act and other applicable provisions of the Act, and for such other order or orders, as the NCLT may deem fit for carrying the Scheme into effect. Upon the Scheme becoming effective, the members of both the Transferee Company and the Transferor Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in the Scheme.

5.6 The Scheme is conditional upon and subject to the following:

5.6.1 the Scheme being approved by the requisite majorities of various classes of members, if any, and creditors of the Transferee Company and of the Transferor Company as required under Applicable Laws and as may be directed by the NCLT or any other authority as may be

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prescribed notified;

5.6.2 Approval and/or compliance of the regulations I conditions, if any, by SEBI, NSE and BSE (as applicable);

5.6.3 the sanction of the Scheme by NCLT;

5.6.4 such other sanctions and approvals including sanctions of any Governmental Authority or regulatory authority as may be required by any law or contract in respect of the Scheme being obtained; and

5.6.5 the certified copies of the orders of the NCLT referred to in this Scheme being filed with the Registrar of Companies by the Transferee Company and the Transferor Company. The Scheme shall become effective on last of the dates on which Transferee Company and the Transferor Company file a certified copy of the order of the NCLT sanctioning the Scheme with the Registrar of Companies. Such date shall be known as the **"Effective Date".**

5.7 The Transferee Company and the Transferor Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to the Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme. The Transferee Company and the Transferor Company (acting through its respective Boards of Directors) be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to the Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of the Scheme and/or any matters concerning or connected therewith.

5.8 The Transferee Company and the Transferor Company shall be at liberty to withdraw from the Scheme in case any condition or alteration imposed by the NCLT or any other authority is not on terms acceptable to them or otherwise.

5.9 All costs, expenses, charges, fees, taxes, duties, levies and all incidental expenses arising out of or incurred in carrying out and implementing the terms and conditions or provisions of the Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.

5.10 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Company, and/or their respective shareholders and/or creditors, and the terms and conditions of the Scheme, the latter shall prevail.

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5.11 If any part of the Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part. Requisite powers to decide in such case could be given to the Board of the Transferee Company, or to the Board of the Transferor Company.

5.12 The transfer of properties and liabilities to, and the continuance of proceedings by or against the Transferee Company, as envisaged in Part-III above shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

5.13 The Companies undertake to comply with all Applicable Laws (including all applicable compliances required by the SEBI and the Stock Exchanges) including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the Central Government, RBI (if required) or any other statutory or regulatory authority, which by law may be required for the implementation of this Scheme or which by law may be required in relation to any matters connected with this Scheme.

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Bhandari Hosiery Exports Ltd.

Sustainable Innovation

Design • Fabric • Garments

(A GOVT. OF INDIA RECOGNISED EXPORT HOUSE)

R.O. : Bhandari House, Village Meharban, Rahon Road, LUDHIANA-141 007 (INDIA)

Phones : +91-88720 16409, +91-88720 16410

E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com

(Corporate Identification No./CIN : L17115PB1993PLC013930)

ANNEXURE I

Computation of Relative Fair Value per share and Fair Share exchange ratio of Transferee and Transferor Company as per Valuation Report issued by Registered Valuer:

Valuation Approach	Bhandari Hosiery Exports Ltd.		Tikani Exports Limited	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	5.04	1	10.09	3
Income Approach	N.A	N.A	N.A	N.A
Market Approach	2.96	3	7.79	1
Relative Value per Share	2.96		7.79	
Exchange Ratio (Rounded Off)			2.630	

RATIO:

"Bhandari Hosiery Exports Ltd (Transferee Company) will issue 2.630 Equity Shares of Re. 1 each, credited as fully paid up, for every 1 Equity Shares of Rs. 10/- each held in the Tikani Exports Limited (Transferor Company).

For Bhandari Hosiery Exports Ltd.

Nitin Bhandari
Managing Director

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ANIL RUSTGI
Registered Valuer for Financial Assets
Regn. No: IBBI/RV/05/2019/12313

524, Tower 6, HEWO I, Sector 56, Gurgaon - 122011
Mobile No: +91-9873333343
Email: anil_rustgi@yahoo.co.in

VALUATION REPORT

For determining the Fair Value of Equity Shares

of

Bhandari Hosiery Exports Limited

And

Tikani Exports Limited

26th October 2020

Prepared by:

Anil Rustgi
Regd. Valuer with IBBI- IBBI/RV/05/2019/12313

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

ANIL RUSTGI
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Regn. No: IBBI/RV/05/2019/12313

524, Tower 6, HEWO I, Sector 56, Gurgaon - 122011
Mobile No: +91-9873333343
Email: anil_rustgi@yahoo.co.in

Date: 26 October , 2020

To,

1. Bhandari Hosiery Exports Limited
   Bhandari House, Village Meherban, Ludhiana

2. Tikani Exports Limited
   Bhandari House, Village Meherban, Ludhiana

Sub: Determination of Fair Value of Equity Shares of Bhandari Hosiery Exports Limited (BHEL) and Tikani Exports Limited (TEL) under the provisions of Section 230-232 of Companies Act, 2013 i.e. Merger of TEL with BHEL ("the Transaction")

Dear Sir/ Madam,

I, Anil Rustgi, Registered Valuer (in respect of Securities or Financial Assets) having registration no. IBBI/RV/05/2019/12313, (hereinafter referred to as "Valuer" or "we" or "I" or "us") has been appointed on 19th October , 2020 by Bhandari Hosiery Exports Limited and Tikani Exports Limited (here-in-after referred as the "Company"/ "Companies") incorporated under the provisions of the Companies Act and having registered offices at Bhandari House, Village Meherban, Ludhiana for determining Fair Value of Equity Shares of the Companies and also to recommend a share exchange ratio under the provisions of section 230-232 of the Companies Act. We in accordance with the terms mentioned herein, are enclosing our report.

This report has been prepared for with a limited purpose / scope, as identified / stated in the report and will be confidential and for use and purpose only for which it is issued. It must not be used for purpose except to whom it is issued and for various approvals for this transaction.

The Companies accept full responsibility for all the data and information provided by the Companies to the Valuer that was used for the purpose of valuation of Fair Value of Equity Shares of the Companies and preparation of the Valuation report and the Companies have confirmed that no material information, vital enough to affect valuation has been suppressed or misstated while providing information to the valuer.

The valuation exercise is performed on an arms' length basis.

This report has been prepared in accordance with the provisions of Section 230-232 of the Companies Act, 2013, where a valuation report issued by an IBBI registered valuer is required.

Based on our analysis of the information provided by the management and subject to our comments as detailed in this report, we have arrived as on Valuation date of 30th Sep 2020 at the fair value per equity share of Rs. 2.96 per share of BHEL having Face Value of Re. 1 each and Rs. 7.79 per equity share of TEL having Face value of Rs. 10 each.

Based on these valuations we also recommend that all the shareholders of TEL holding presently 2,31,34,600 number of shares of TEL (Rs. 10 Face Value) may be allotted 6,08,69,221 number of

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

ANIL RUSTGI
Registered Valuer for Financial Assets
Regn. No: IBBI/RV/05/2019/12313

524, Tower 6, HEWO I, Sector 56, Gurgaon - 122011
Mobile No: +91-9873333343
Email: anil_rustgi@yahoo.co.in

equity shares of BHEL (Re. 1/- Face Value) in the ratio of 2.63 equity shares of BHEL shares for every one equity share of TEL held as per table below.

Total Number of TEL Shares of Rs. 10 each Face Value		2,31,34,600
Total Number of BHEL Shares of Re. 1 Face Value recommended to be allotted to the TEL Shareholders		6,08,69,221
Ratio - 2.63 shares of BHEL shares (Re.1/- Face Value) to be allotted against each one of TEL Shares (Rs. 10/- Face Value)		2.63

The shares of BHEL are in Dematerialized form and the trading unit is one share; any fraction of entitlement may be rounded off accordingly to avoid any fractional allotment of equity shares.

Anil Rustgi
Regd. Valuer with IBBI - IBBI/RV/05/2019/12313

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ANIL RUSTGI
Registered Valuer for Financial Assets
Regn. No: IBBI/RV/05/2019/12313

524, Tower 6, HEWO I, Sector 56, Gurgaon - 122011
Mobile No: +91-9873333343
Email: anil_rustgi@yahoo.co.in

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ANIL RUSTGI
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524, Tower 6, HEWO I, Sector 56, Gurgaon - 122011
Mobile No: +91-9873333343
Email: anil_rustgi@yahoo.co.in

Bhandari Hosiery Exports Limited (BHEL)

Bhandari Hosiery Exports Limited, bearing Corporate Identification Number CIN L17115PB1993PLC013930 was incorporated on 25th Nov 1993. It is classified as Non-govt. listed company (limited by shares) and is registered with Registrar of Companies, Chandigarh.

Its Authorized Share Capital stands at Rs. 25,00,00,000 and Paid up Share Capital stands at Rs.14,65,26,950. The Registered office of the company is situated at Bhandari House, Rahon Road, Village Meharban, Ludhiana 141007, Punjab.

The Company is part of Textile industry and is engaged in Garment manufacturing and related activities.

Equity shares of the Company are listed on Mumbai Stock Exchange (BSE) effective from 5th January 1995 and on National Stock Exchange (NSE) on 30th January 2017. As on 31.03.2020, 97.17% of total equity shares of the Company are held in demat form. Promoters of BHEL presently hold 3,65,53,132 equity shares of the Company constituting 24.95% of the total paid up equity share capital of the Company. Rest of the 75.05% shares are held by non-promoter shareholders i.e. Institutional Investors, retail investors etc. and the shares of the company are frequently traded on BSE and on NSE.

Tikani Exports Limited (TEL)

Tikani Exports Limited, bearing Corporate Identification Number U18202PB2019PLC049906 was incorporated on 23rd August, 2019 for the purpose of taking over the running business of Partnership Firm "**Bhandari Knit Exports**" (BKE) and the Main Object No.1 of TEL reads as below.

> I) *"To acquire and takeover as a going concern the business now being carried on at Ludhiana under the name & style of "Bhandari Knit Exports", the Partnership Firm incorporated on 6th December, 1996 (having the deed amended from time to time) under the Partnership Act, 1932 and having the firm registration no. 332 of 2013-14 with the Registrar of Firms at Chandigarh, together with all of the assets including land & building, plant & machinery and other assets and liabilities of that partnership business used in connection therewith or belonging thereto with effect from such date and upon such terms and conditions as may be negotiated and decided by the Directors of the Company, for consideration either by way of allotment of shares in the Company or in cash or party in one way and partly in other and after such takeover the above firm shall cease to exist."*

TEL is classified as Non-govt. listed company (limited by shares) and is registered with Registrar of Companies, Chandigarh.

Its Authorized Share Capital stands at Rs. 23,15,00,000 and Paid up Share Capital

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Mobile No: +91-9873333343
Email: anil_rustgi@yahoo.co.in

stands at Rs. 23,13,46,000. The Registered office of the company is situated at Bhandari House, Rahon Road, Village Meharban, Ludhiana, 141007, Punjab.

The Company, presently is engaged in textile related activities comprising of knitting cloth, fabric dyeing, processing and manufacture of garments.

Majority of equity shares of TEL are presently held by the promoters of BHEL.

Purpose of Valuation

This valuation report is prepared by Anil Rustgi, (Valuer, Registered with IBBI) to ascertain the fair value of the equity shares of the Companies under the provisions of sections 230-232 of Companies Act, 2013 as TEL intends to merge with BHEL.

Valuation Date & Source of Information:

As on Valuation date of 30th September 2020, in connection with this exercise, we have used the following information received from the Management and/or gathered from public domain:

1. MOA/AOA and COIs of Companies.
2. Financial Statements of BHEL as of 31st March 2018, 2019 and 2020 and Q1 results for FY 2020-21.
3. Financial Statements of BKE/ TEL for three Financial Years ended on 31st March 2020.
4. Explanations provided by the management of the Company from time to time.
5. Information about stock exchange data and information about Peer Group of BHEL and TEL.
6. Valuation Report dated 20.10.2020 of Infrastructure of TEL.

We have also obtained necessary explanations and information, which we believed were relevant to the present exercise, from the executive and representatives of the Company. It may be mentioned that the Company has been provided opportunity to review the draft report (excluding our valuation analysis and recommendation) for the current job as part of our standard practice to make sure that factual inaccuracies/ omissions are avoided in our report.

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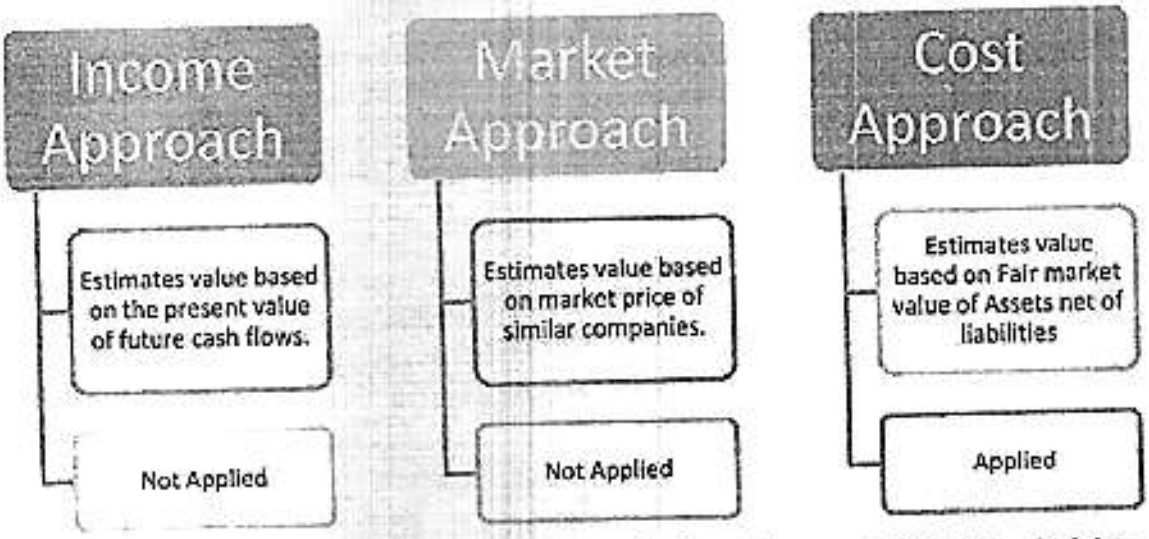
Email: anil_rustgi@yahoo.co.in

Valuation Methodologies and Approach



According to standard valuation practice, the fundamental pre-condition for obtaining significant and comparable valuations is the consistency and comparability of the methods applied according to the characteristics of the companies and/ or groups being valued.

In addition, a second fundamental principle often adopted for determining enterprise value is the "stand alone" assumption. That is, a valuation perspective based on the current configuration and future prospects of the business on an independent basis, without taking any potential synergies from determining the equity Share value into account.

Valuation of the enterprise or its equity shares is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be even prepared to pay goodwill. This exercise may be carried out based on the generally accepted methodologies, the relative emphasis of each often varying with the factors such as:

- Specific nature of the business
- Economic life cycle in which the industry or the business is operating and
- Extent to which and comparable company information is available

The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. In respect of going concerns, certain valuation technologies have evolved over time and are commonly in vogue. In this regard, we have evaluated suitability of commonly used approaches of valuation to determine the fair value of the business.

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Mobile No: +91-9873333343
Email: anil_rustgi@yahoo.co.in

It should be understood that the valuation of any enterprise or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Companies

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

The following are commonly used and accepted methods for determining the Enterprise Value of a company/ business:

A. Asset Approach – Net Asset Value Method
B. Income Approach – Discounted Cash Flows method
C. Market Approach
    a. Market Price method
    b. Comparable Companies Quoted Multiples method

A. <u>Asset Approach – Net Asset Value (NAV) Method</u>

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This valuation approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominates earnings capability. The value arrived at under this approach is based on the estimated financial statements of the business and may be defined as Shareholder's Funds or Net Assets owned by the business. The Net Assets Value is generally used as the minimum break-up value. for the transaction.

The valuation arrived at under the abovementioned methods could fluctuate with lapse of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions financial and otherwise, of the companies, and other factors which generally influence the valuation of companies and their assets.

As on 31.3.2020 the last available audited Balance Sheet, the following were found to be NAV based values per share of BHEL and of TEL. There are no material changes during the period of first six months of the current FY 2020-21.

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Email: anil_rustgi@yahoo.co.in

Bhandari Hosiery Exports Limited (BHEL) – NAV based valuation

Particulars (as on 31st March)		2020	2019	2018
Total Shareholders Fund (Equity+Reserves)	Rs. Lacs	7,390.83	6,877.32	6,359.42
No. of Shares (of Re.1 each)	No.	14,65,26,950	14,65,26,950	14,65,26,950
Net Asset Value per Share	Rs.	5.04	4.69	4.34

NAV of one share of BHEL as on 31.3.2020 is Rs. 5.04 per share (of Re.1/- Face Value).

Tikani Exports Limited (TEL) [earlier Bhandari Knit Exports, Partnership Firm (BKE) – NAV based valuation

Particulars (as on 31st March)		2020	2019	2018
Net Asset Value (NAV)		TEL	BKE	BKE
Total Shareholders Fund (Equity) – Rs. In lacs		2,336.52	2,320.56	2,310.14
No. of Shares (of Rs.10 each) –	No.	2,31,34,600	0	0
Net Asset Value per Share	(Rs.)	10.0997	0.00	0.00

NAV of one share of TEL as on 1.3.2020 is Rs. 10.10 per share (of Rs. 10/- Face Value).

B. Income Approach

B.1 Discounted Cash Flows method (DCF) method uses the future free cash flows of the business discounted by the cost of capital to arrive at the present value. In general, the DCF method is a strong and widely accepted valuation tool, as it concentrates on cash generation potential of a business, considering that this method is based on future potential and is widely accepted.

Using the DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the enterprise that are available to all providers of capital – both debt and equity.

Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

To the values so obtained from DCF analysis, the amount of loans has to be adjusted to arrive at the total value available to the equity shareholders. The total value for equity shareholders

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is than divided by the total number of equity shares in order to work out the value per equity share of the companies.

BHEL is a listed company and it is neither appropriate nor feasible to work out futuristic financial projections and hence we avoided working on DCF method for valuing BHEL. TEL is major supplier / Job worker for BHEL itself and a sizeable portion of revenue generated by TEL is derived from supplies to/ for BHEL itself (related party transactions) and hence we also avoided using DCF valuations in case of TEL also.

B.2 Earnings per Share (EPS) - We captured the Operational results of last three audited financial years and the results are tabulated below to arrive at Earnings Per Share (EPS) for the last FY ended on 31.3.2020.

Tabulation for Operational results of BHEL is as below:

			Rs. In Lacs		
A	Gross Revenue		27753.51	26639.28	24842.97
B	Expenses (other than Depreciation)		26625.88	25572.26	23837.89
C	Depreciation		501.44	435.23	414.01
A-(B+C) =D	Profit before Tax		626.19	631.79	591.07
E	Tax		95	96.25	95.37
D-E= F	Profit after Tax		531.19	535.54	495.7
F+C= G	Cash Accrual		1032.63	970.77	909.71
	Earnings per share (FV Re.1/= per share)	Rs.	0.36		

Tabulation for Operational results of TEL/ BKE are as below:

	Profit and Loss Account	2020/2	2020/1	2020	2019	2018
		TEL	BKE	Total	BKE	BKE
A	Gross Revenue	2562.01	1367.28	3929.29	6188.39	6242.45
B	Expenses (other than Depreciation)	2517.19	1353.47	3870.66	6121.29	6175.5
C	Depreciation	11.87	5.17	17.04	14.59	16.9
A-(B+C)=D	Profit before Tax	32.95	8.64	41.59	52.51	50.05
E	Tax	9.89	0	9.89	0	0
D-E=F	Profit after Tax	23.06	8.64	31.7	52.51	50.05
F+C=G	Cash Accrual	34.93	13.81	48.74	67.1	66.95
	Earnings per share	0.14				

B.3 Return on Net Worth (RONW) : We calculated that the RONW (on Profit Before Tax) which in case of BHEL is 8.47% for FY 2019-20 and for TEL/ BKE it is 1.78% in FY 2019-20. We got guided by this feature of significant difference in RONW of two companies in allocating weights while valuing equity shares of BHEL and of TEL.

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C. Market Approach

C.1 Stock Exchange Quotation/Market Price Method

Market price of equity shares as quoted on stock exchanges is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

This valuation reflects the price that the market at a point in time is prepared to pay / is paying for the equity shares. It is therefore influenced by the condition of the stock market, the concerns and opportunities that are seen for the business in the sector or market in which it operates. The market price also reflects the investor's view of the ability of the management to deliver a return on the capital it is using.

In the case of companies where shares are not so frequently traded, this value may be very different from the inherent value of the equity shares, but nevertheless the market price of equity shares on stock exchanges forms a benchmark value.

Equity Shares of BHEL having Face Value Re. 1/- Face Value are being traded at values ranging between Rs. 0.54 per equity share to Rs. 1.58 per equity share in last 12 months period albeit in fairly low volumes. We found that the quoted/ traded price is significantly low as compared to the NAV of the Equity Share and it is not representing at all the EPS and RONW being generated by TEL in its operations. Therefore, we preferred to ignore the Market Value of BHEL shares to avoid any undue impact that the abnormally low market price may put on the fair value of the BHEL shares.

C.2 Comparable Companies Quoted/ Market Multiples method

Under this method, value of the equity shares of a company/ business undertaking is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

Under this methodology, market multiple of comparable listed companies are computed and applied to the business being valued in order to arrive at a multiple based valuation. This approach is usually applied in case of valuation of unlisted companies. Some of the common multiples used in a valuation are listed below:

- Market Cap/ Sales Multiple
- Price/ Earnings Multiple
- Precedent Transactions Multiple Method

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It is pertinent to mention that valuation of a business is not an exact science and ultimately depends upon a no. of factors like the past financials, expected financial results, industry scenario, market recognition, market price available on exchange, etc. Though there are multiple valuation methodologies, however based upon the facts of the instant case and taking into consideration the International Valuation Standards issued by the International Valuation Standards Council (IVSC), we have carried out this Valuation Analysis of the Company asked on the Net Asset value (NAV) Methodology.

We searched for and found the following companies in Textile-Garments space that can be compared with the working and operations of BHEL and of TEL. Basic details of these companies are captured in table below. PE ratios as on 20.10.2020 (based on Trailing Twelve months) reported profitability averages 6.25 for PEER Group companies and has been taken for valuation purposes with appropriate weights.

	Peer Group Comparison - Textile (Garments) ##					
	Name	Capital	Turnover	EPS	Present Market Value (FV)	PE Ratio (TTL based)
		Latest	*FY 19-20*	*FY 19-20*	*As reported on 20.10.2020*	
		Rs. Cr	Rs. Cr	Rs.	Rs. Per share	TTL based
1	Acknit Industries	3.04	169.9	14.4	69(10)	5.1
2	Ashnoor Textile	12.75	136.9	2.5	10(10)	5
3	KG Petrochem	5.22	329.5	42.4	95(10)	3.3
4	Kitex Garments	6.65	739.2	15.6	103(10)	6.7
5	MK Exim	7.18	52.9	3.9	20(10)	5
6	Monte Carlo Fashion	20.73	725.6	30.1	190(10)	7.1
7	SP Apparels	25.69	809	21.4	128(10)	8.8
8	Wires & Fabriks	3.06	145.9	5.1	47(10)	9
	Average PE Ratio					6.25

As reported in Fortnightly Magazine "Capital Market" of 20th October, 2020

BHEL and TEL, both operate in same market (Textile-Garments) and the average PE of Peer group is used to arrive at Comparable Companies Market Multiple based Valuation for TEL as well as subsequent to the proposed Merger shareholders of TEL will also be holding with them listed shares of BHEL.

Earnings per share of BHEL and TEL were multiplied by the Average PE Ratio of 6.25 as referred above to arrive at the Capital Market Value (based on Peer Group PE Factor).

Valuation

The Company management is desirous to obtain the Fair value of Equity as on the valuation date and in absence of any future cash flows (projected), Net Asset Value (NAV) method and Peer group/ Comparable Companies Quoted Multiples Method were considered as the most

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appropriate methodology for this purpose of valuation carrying maximum weights in the valuation exercise for the companies.

NAV and Comparable Companies Quoted Multiples Method both are internationally accepted method of valuation for carrying out valuation on arm's length basis.

We arrived at Fair Value of BHEL based on the following weights offered for the valuations arrived based on the two methods of NAV and Peer Group based PE factor:

Fair Value of BHEL - Calculations		Rs. lacs	Weight	
NAV based Valuation of BHEL - 31.3.2020	Rs. Lacs	7,390.83	1	7390.83
Capital Market Value (based on PEER group PE factor)	Rs. Lacs	3319.94	3	9959.81
Fair Value of BHEL	Rs. Lacs			4337.66
Fair Value of 1 share (of Face Value Re.1/-) of BHEL	Rs.			2.96

We arrived at Fair Value of TEL based on the following weights offered for the valuations arrived based on the two methods of NAV and Peer Group based PE factor:

Fair Value of TEL - Calculations		Rs. lacs	Weight	
NAV based Valuation of TEL – 31.3.2020	Rs. Lacs	2,336.52	3	7009.56
Capital Market Value (based on PEER group PE factor)	Rs. lacs	198.13	1	198.13
Fair Value of TEL	Rs. lacs			1801.92
Fair Value of 1 Share (of FV) of TEL - Rs.	Rs.			7.79

Based on our analysis of the Company and subject to our comments as detailed in this report, the fair value of both the Companies is detailed as below:

	Fair Value of BHEL and TEL	Rs. Cr
A	Fair Value of BHEL	4,337.66
B	Fair Value of TEL	1,801.92
	Eligible Value for TEL shareholders of NAV of BHEL	42%
	No. of Shares of BHEL (Face Value Re.1) to be Allotted to TEL Shareholders	6,08,69,221

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Caveats, Limitations and Disclaimers

i. Restriction on use of Valuation Report
This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our client is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use and the Regulations. We do not take any responsibility for the unauthorized use of this report.

ii. Responsibility of Registered Valuer
We owe responsibility to only to the client that has appointed us under the terms of the engagement letter. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the client or companies, their directors, employees or agents.

iii. Accuracy of Information
While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

iv. Achievability of the forecast results
We do not provide assurance on the achievability of the results forecast by the management as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management.

v. Post Valuation Date Events
The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.

vi. Range of Value Estimate
The valuation of the Company is made based on the available facts and circumstances and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. Although every scientific method has been employed in systematically arriving at the value, there is, therefore, no indisputable single value and the estimate of the value is normally expressed as falling within a likely range. To comply with the client request, we have provided a single value we consider the valuation to be both reasonable and defensible based on the information available, others may place a different value.

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viii. **Reliance on the representations of the clients, their management and other third parties**

Though information provided and assumptions used by management/others in developing projections have been appropriately reviewed, enquiries made regarding basis of key assumptions but the client and its management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the clients, their management and other third parties concerning the financial data, we shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or willful default on part of the Company, their directors, employee or agents.

ix. **No procedure performed to corroborate information taken from reliable external sources**

We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

x. **Compliance with relevant laws**

The report assumes that the Company/business/asset complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the Company/business/assets will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet provided to us.

xi. **Multiple factors affecting the Valuation Report**

The valuation report is tempered by the exercise of judicious discretion by the valuer and judgment taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the balance sheet but could strongly influence the value.

xii. **Future services including but not limited to Testimony or attendance in courts/ tribunals/ authorities for the opinion of value in the Valuation Report**

We are fully aware that based on the opinion of value expressed in this report, we may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and our tendering evidence before such authority shall be under the applicable laws.

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xiii. **Unavailability of information as on Valuation Date**

Fair Value of the company has been performed on the provisional unaudited standalone balance sheet provided by management as of the valuation date. The management has also confirmed that there has not been any material change since the last available financial statements.

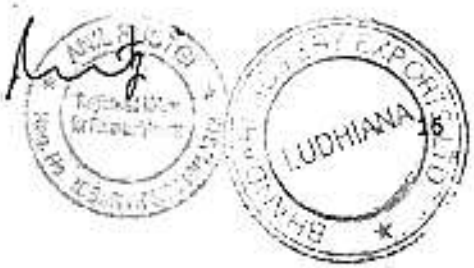
xiv. We had provided a draft copy / workings of this report to the management of the Company, who confirmed to the best of their knowledge and belief that the factual information contained within this report is correct and that there are no material omissions. We reserve the right to alter our conclusions should any information that we are not aware of at the time of preparing this report comes to light that has a material impact on the conclusions herein.

xv. While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the client. Our report is subject to the scope and limitations detailed herein. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

xvi. The valuation of companies and businesses is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value .However, as purpose requires the expression of a single value, we have adopted a single value. Whilst we consider our value to be both reasonable and defensible based on the information available to us, others may place a different value on the Company.

xvii. An analysis of such nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

xviii. The ultimate analysis will have to be tempered by the exercise of judicious discretion by the valuer and judgment taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the face of the Balance Sheet but could strongly influence the value.



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xix. In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Company through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company.

xx. We are independent of the client/company and have no current or expected interest in the Company or its assets. The fee paid for our services in no way influenced the results of our analysis.

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Email: anil_rustgi@yahoo.co.in

Annexure 1 – Extract of Financial Statements of BHEL

	Particulars (as on 31st March)	2020	2019	2018
Equity and Liabilities				
1.0	Equity			
	Equity Share Capital	1,465.27	1,465.27	1,465.27
	Other Equity	5,925.56	5,412.05	4,894.15
	Total Equity	7,390.83	6,877.32	6,359.42
2.0	Liabilities			
2.1	Non Current Liabilities			
	(a) Financial Liabilities - borrowings	3,430.07	2712.05	2728.58
	(b) Provisions	0.00		
	(c) Deferred Tax Liabilities	375.69	355.69	339.44
	(d) Other Non Current Liabilities			
	Total Non-current Liabilities	3,805.76	3,067.74	3,068.02
2.2	Current Liabilities			
	(a) Financial Liabilities			
	i. Borrowings	7,065.10	5953.84	5463.15
	ii. Trade Payables	1,099.61	1113.39	1423.38
	(b) Other Current Liabilities	1,045.90	869.3	803.88
	(c) Provisions	106.23	93.24	52.40
	(d) Current Tax liabilities (net)	0.00		
	Total Current Liabilities	9,316.84	8,029.77	7,742.81
	Total Equity and Liabilities (1+2.1+2.2)	20,513.43	17,974.83	17,170.25
Assets				
1	Non-Current Assets			
	(a) Property, Plant & Equipment	6,525.14	5263.74	5618.36
	(b) Capital Work in Progress	5.47	94.84	5.47
	(c) Intangible Assets	1.25	1.25	1.25
	(d) Financial Assets	0.00	0	0
	Total Non Current Assets	6,531.86	5,359.83	5,625.08
2	Current Assets			
	(a) Inventories	7,222.36	6,891.73	5,889.16
	(b) Financial Assets			
	i. Trade receivables	5,331.85	4,237.19	4,613.89
	ii. Cash & Cash Equivalents	95.98	152.89	169.36
	iii. Loans	37.05	39.90	66.58
	(c) Other Current Assets	1,294.34	1,293.29	806.18
	Total Current Assets	13,981.58	12,615.00	11,545.17
	Total Assets (1+2)	20,513.44	17,974.83	17,170.25

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	BHEL - Profit and Loss Account		Rs. Lacs		
A	Gross Revenue		27753.51	26639.28	24842.97
B	Expenses (other than Depreciation)		26625.88	25572.26	23837.89
C	Depreciation		501.44	435.23	414.01
A-(B+C)=D	Profit before Tax		626.19	631.79	591.07
E	Tax		95	96.25	95.37
D-E=F	Profit after Tax		531.19	535.54	495.7
F+C=G	Cash Accrual		1032.63	970.77	909.71
	Earnings per share (FV Re.1/= per share)	Rs.	0.36		
	Returns on Net Worth (RONW)		8.47%	9.19%	9.29%

Annexure 2 – Extract of Financial Statements of TEL

Tikani Exports Limited (TEL) (Earlier Bhandari Knit Exports, Partnership Firm (BKE)				
		Rs. In lacs		
	Particulars (as on 31st March)	2020	2019	2018
		TEL	BKE	BKE
Equity and Liabilities				
1.0	Equity			
	Equity Share Capital	2,313.46	2,320.56	2,310.14
	Other Equity	23.06	0.00	0.00
	Total Equity	2,336.52	2,320.56	2,310.14
2.0	Liabilities			
2.1	Non Current Liabilities			
	(a) Financial Liabilities - borrowings	53.59	0	0
	(b) Provisions	0.00		
	(c) Deferred Tax Liabilities	0.29	0	0
	(d) Other Non Current Liabilities			
	Total Non-current Liabilities	53.88	0.00	0.00
2.2	Current Liabilities			
	(a) Financial Liabilities			
	i. Borrowings	752.68	830.1	919.33
	ii. Trade Payables	99.84	58.23	169.27
	(b) Other Current Liabilities	37.15	15.04	36.39
	(c) Provisions	9.60	0	0.00
	(d) Current Tax liabilities (net)	0.00		
	Total Current Liabilities	899.47	903.37	1,124.99
	Total Equity and Liabilities (1+2.1+2.2)	3,289.87	3,223.93	3,435.13

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Bhandari Hosiery Exports Ltd.

Sustainable Innovation
Design•Fabric•Garments
(A GOVT. OF INDIA RECOGNISED EXPORT HOUSE)
R.O. : Bhandari House, Village Meharban, Rahon Road, LUDHIANA-141 007 (INDIA)
Phones : +91-88720 16409, +91-88720 16410
E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com
(Corporate Identification No./CIN : L17115PB1993PLC013930)

REPORT OF THE AUDIT COMMITTEE OF BHANDARI HOSIERY EXPORTS LIMITED RECOMMENDING THE DRAFT SCHEME OF ARRANGEMENT AND MERGER OF TIKANI EXPORTS LIMITED WITH BHANDARI HOSIERY EXPORTS LIMITED IN ITS AUDIT COMMITTEE MEETING HELD ON 09TH DAY OF NOVEMBER, 2020 AT REGISTERED OFFICE OF THE COMPANY.

Present:

Sr.	Name	Designation/Position	Mode of Presence Physical/Electronic
1	Sh. Surinder Kumar Kapoor	Chairperson of Meeting/Independent Director	Physically Present
2	Smt. Geetika Bhalla	Non Executive Independent Director/Member	Physically Present
3	Sh. Nitin Bhandari	Mg. Director/Member	Physically Present

Also Present:

Name	Designation/Position	Mode of Presence Physical/Electronic
Sh. Manoj Kumar	Chief Financial Officer	Physically Present

1. Background:

1.1 Bhandari Hosiery Exports Limited ("Company") is a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office Bhandari House, Village Meharban, Rahon Road, Ludhiana. The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited (together the "Stock Exchanges").

1.2 Tikani Exports Limited, Company (Transferor Company) is a public limited company incorporated under the Companies Act, 2013 having its registered office at KH400/413 Bhandari House, Village Meharban, Rahon Road Ludhiana 141007. The Transferor Company is not listed on any stock exchange in India or abroad.

1.3. A meeting of the Audit Committee of the Company was held on November 09, 2020 to

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consider and recommend to the Board the draft Scheme of Arrangement and Merger of Tikani Exports Limited with Bhandari Hosiery Exports Limited under provisions of Section 230 to 234of the Companies Act, 2013and other applicable provisions of the Companies Act, 2013 (the Scheme").

1.4 The report of the Audit Committee is made in compliance with clause No. 2(c) of Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017dealing with Schemes of arrangement involving listed companies, issued by Securities and Exchange Board of India (the "SEBI Circular" dated December 22, 2020).

1.5 The following documents were placed for consideration of the Committee:

(a) Draft Scheme of Merger/ Arrangement

(b) Equity Share Valuation Report dated 26th October, 2020 issued by Mr. Anil Rustgi IBBI Registered Valuer having Registration No. IBBI/RV/05/2019/12313 and the Fairness opinion dated October 27, 2020 issued by Sobhagya Capital Options Ltd., Category I Merchant Bankers issued based on the said Valuation Report.

(c) Certificate issued by Krishan Goel and Associates, Chartered Accountants, Statutory Auditors of the Company, confirming that the accounting treatment contained in the Draft Scheme is in compliance with the applicable accounting standards specified by the Central Government under Section 133 of the Companies Act, 2013 pursuant to paragraph 5 of Annexure I of the SEBI Circular.

2. Proposed Scheme:

2.1 The Audit Committee noted that the salient features of the Scheme are as under.

a. There is no cash consideration involved. Upon the Scheme of Amalgamation becoming effective, based on the Valuation Report issued by independent IBBI registered Valuer and share exchange ratio recommended therein and endorsed by the Category I Merchant banker to be Fair all the equity shareholders of the Tikani Exports Limited (Transferor Company) will be allotted equity shares in Bhandari Hosiery Exports Limited (Transferee Company) in the ratio of 2.63 equity shares (having face value of Re. One each) in Bhandari Hosiery Exports Limited for one equity share (having face value of Rs. 10/- each) of Tikani Exports Limited Bhandari Hosiery Exports Limited.

b. "Appointed Date" means 1 April, 2021or such other date as may be determined by the Board of the Transferor Company and the Transferee Company or such other date as may be approved by the Hon'ble NCLT of Chandigarh (Chandigarh Bench).

c. "Effective date" means the last of the dates on which the certified copy of the order of the Hon'ble NCLT of Chandigarh is filed with the Registrar of companies of Chandigarh, by

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Transferor Company and Transferee Company. Any reference in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the schemes" shall mean and refer to the Effective Date.

3. Audit Committee comments on following points as per SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated November3, 2020:

3.1 Need for the merger:

The Merger of Tikani Exports Limited into Bhandari Hosiery Exports Limited would strengthen the position of the resultant entity i.e. the Transferee Company, by enabling it to harness and optimise the synergies of the Transferor Companies.

3.2 The Audit Committee reviewed the draft scheme along with the other documents placed before the Committee and also noted the rationale of the Scheme, which inter-alia is as follows:

a. Consolidation of the business of the Transferee Company presently being carried out through Transferor Companies in one entity and would strengthen the position of the resultant entity i.e. the Transferee Company, by enabling it to harness and optimise the synergies of the Transferor Companies.

b. The Scheme will result in operational efficiencies due to optimal utilization of resources and finances of both the companies, which will create new opportunities to further expand its business.

c. The machinery of Transferor Company will be valuable for Transferee Company's production of goods, which includes one ton dying machine and stitching machine sets for garments division.

3.3 Synergies of business of the entities involved in the Scheme:

By combining business activities, overall performance efficiency tends to increase and across-the-board costs tend to drop, due to the fact that each company leverages off of the other company's strengths. The Transferee Company is engaged in the operation of fabric dyeing, fabric processing, fabric knitting and the manufacturing of garments and fabrics Transferor Company is in the business of fabric dyeing and manufacturing of garments. Accordingly the Scheme of consolidation of the two businesses is strategic in nature and will generate business synergies.

3.4 Impact of the Scheme on the Shareholders:

The scheme has positive impact on the shareholders. As company will grow with better opportunities in larger market by cost cutting and better utilization of resources, shareholders will earn more. The scheme also ensures the stability in price of shares. The scheme is not detrimental to the shareholders.

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3.5 Cost benefits analysis of the scheme:

When two companies have similar products or services, combining can create a large opportunity to reduce costs. When companies merge, frequently they have an opportunity to combine locations or reduce operating costs by integrating and streamlining support functions.

4. Recommendation of the Audit Committee

The Audit Committee after due deliberations and consideration of all the terms of the Draft Scheme, the Share Valuation Report and the Fairness Opinion recommends the draft Scheme for favourable consideration by the Board of Directors of the Company.

For and on behalf of Audit Committee
Bhandari Hosiery Exports Ltd.

Sh. Surinder Kumar Kapoor
Chairman of Audit Committee

Date: 09/11/2020
Place: Ludhiana

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

SOBHAGYA
CAPITAL OPTIONS LTD.
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CORPORATE OFFICE:
C-4, Hosiery Complex, Phase-II Extension, Noida - 201 305 (U.P.), INDIA
+91 8510085208, +91 8510085214
E-mail: delhi@sobhagyacap.com
Website: www.sobhagyacapital.com
CIN: U74899DL1994PLC060089
SEBI Regn No. MB/INM000008571

Date : October 27, 2020
Ref: SCOL/Valuation/20-21/Oct

To,

1. **Bhandari Hosiery Exports Limited**
   Bhandari House, Rahon Road, Village Meharban
   Ludhiana 141007, Punjab

2. **Tikani Exports Limited**
   Bhandari House, Rahon Road, Village Meharban
   Ludhiana, 141007, Punjab

Dear Sirs,

Subject: Fairness Opinion on Share Exchange Ratio for the purpose of proposed Merger of Tekani Exports Limited (TEL) with Bhandari Hosiery Exports Limited (BHEL) under a proposed scheme of Arrangement/ Merger under sections 230 to 232 of the Companies Act, 2013

1. Background

We, M/s Sobhagya Capital Options Limited, a Category 1 Merchant Banker registered with SEBI, have been appointed by M/s Bhandari Hosiery Exports Limited having its registered office at Bhandari House, Rahon Road, Village Meharban, Ludhiana, Punjab (BHEL or the "Transferee Company") and Tikani Exports Limited having its registered office at Bhandari House, Rahon Road, Village Meharban, Ludhiana, Punjab (TEL or the "Transferor Company") to provide a fairness opinion on share exchange ratio recommended by M/s Anil Rustgi, registered Valuer for Financial Assets with IBBI bearing registration No. IBBI/RV/05/2019/12313 (hereinafter referred to as "Valuer"), who were appointed Valuer by BHEL and TEL for the purpose of proposed Merger of TEL with BHEL.

2. Brief Background about the Companies

Bhandari Hosiery Exports Limited

Bhandari Hosiery Exports Limited, bearing Corporate Identification Number CIN L17115PB1993PLC013930 was incorporated on 25th Nov 1993. It is classified as Non-govt. listed company (limited by shares) and is registered with Registrar of Companies, Chandigarh.

Its Authorized Share Capital stands at Rs. 25,00,00,000 and Paid up Share Capital stands at Rs.14,65,26,950. The Registered office of the company is situated at Bhandari House, Rahon Road, Village Meharban, Ludhiana 141007, Punjab.

The Company is part of Textile industry and is engaged in Garment manufacturing and related activities.

Equity shares of the Company are listed on Mumbai Stock Exchange (BSE) effective from 5th January 1995 and on National Stock Exchange (NSE) on 30th January 2017. As on 31.03.2020, 97.17% of total equity shares of the Company are held in demat form. Promoters of BHEL presently hold 3,65,53,132 equity shares of the Company constituting 24.95% of the total paid up equity share capital of the Company. Rest of the 75.05% shares are held by non-promoter shareholders i.e. Institutional Investors, retail investors etc. and the shares of the company are frequently traded on BSE and on NSE.

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SEBI Regn No. MB/INM000008571

Tikani Exports Limited

Tikani Exports Limited, bearing Corporate Identification Number U18202PB2019PLC049906 was incorporated on 23rd August, 2019 for the purpose of taking over the running business of Partnership Firm **"Bhandari Knit Exports"(BKE)**and the Main Object No.1 of TEL reads as below.

> *I) "To acquire and takeover as a going concern the business now being carried on at Ludhiana under the name & style of "Bhandari Knit Exports", the Partnership Firm incorporated on 6th December, 1996 (having the deed amended from time to time) under the Partnership Act, 1932 and having the firm registration no. 332 of 2013-14 with the Registrar of Firms at Chandigarh, together with all of the assets including land & building, plant & machinery and other assets and liabilities of that partnership business used in connection therewith or belonging thereto with effect from such date and upon such terms and conditions as may be negotiated and decided by the Directors of the Company, for consideration either by way of allotment of shares in the Company or in cash or party in one way and partly in other and after such takeover the above firm shall cease to exist."*

TEL is classified as Non-govt. listed company (limited by shares) and is registered with Registrar of Companies, Chandigarh.

Its Authorized Share Capital stands at Rs. 23,15,00,000 and Paid up Share Capital stands at Rs. 23,13,46,000. The Registered office of the company is situated at Bhandari House, Rahon Road, Village Meharban, Ludhiana, 141007, Punjab.

The Company, presently is engaged in textile related activities comprising of knitting cloth, fabric dyeing, processing and manufacture of garments.

All the equity shares of TEL are presently held by the promoters of BHEL.

3. About Sobhagya Capital Options Limited

Sobhagya Capital Options Limited (hereinafter referred to as "SCOL") is a Public Limited Company incorporated under the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi and Haryana.

Our Company is a Category 1 Merchant Banker registered with Securities and Exchange Board of India (SEBI), Mumbai with Registration No.: MB/INM000008571.

4. Scope and Purpose of the Opinion

The Fairness Opinion is being issued in terms of the requirement of SEBI Circular No/ CFD/ DIL3/ CIR/2017/21 dated 10th March 2017. The purpose of the Opinion is to safeguard the interest of the shareholders of the Companies and this opinion shall be made available to the Board of Directors and Shareholders of the Companies at the time of their respective meetings to review and consider the necessary resolutions for the purpose of approving and adopting the proposed Scheme of Merger and, to the extent mandatorily required under applicable laws of India, may be produced before judicial, regulatory or government authorities, in connection with the proposed merger.

REGISTERED OFFICE: B-206, Okhla Industrial Area, Phase-I, New Delhi - 110 020 INDIA
MUMBAI : 306, 'Shiv Smriti', 49A Dr. Annie Besant Road, Worli, Mumbai - 400 018 INDIA

CORPORATE OFFICE:
C-4, Hosiery Complex, Phase-II Extension, Noida - 201 305 (U.P.), INDIA
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SEBI Regn No. MBANM000008571

The Opinion is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

5. **Sources of Information**

As on Valuation date of 30th September 2020, in connection with this exercise, we have used the following information received from the Management and/or gathered from public domain:

1. MOA/AOA and COIs of Companies.
2. Financial Statements of BHEL as of 31st March 2018, 2019 and 2020 and Q1 results for FY 2020-21.
3. Financial Statements of BKE/ TEL for three Financial Years ended on 31st March 2020.
4. Explanations provided by the management of the Company from time to time.
5. Valuation Report dated 26.10.2020 of BHEL and TEL.
6. Valuation Report dated 20.10.2020 of infrastructure of TEL.
7. Declaration from management of BHEL and TEL regarding no material changes during period of first six months of the current financial years 2020-21.

We have also obtained necessary explanations and information, which we believed were relevant to the present exercise, from the executive and representatives of the Company.

6. **Fairness Opinion –**

We have reviewed the important factors considered by the Valuer for the purpose of valuation analysis. A brief summary of some of the important factors considered by the Valuer are as follows:

A. With respect to valuation of TEL in the Proposed Merger with BHEL

(i) TEL is an unlisted entity owned, controlled and managed by the Promoters/ Promoter Group of BHEL and a significant portion of gross revenues are earned by TEL while its dealings with BHEL as related party transaction(s).
(ii) Face Value of Equity Shares of TEL is Rs.10 per share fully paid up.
(iii) There is a wide variation in the profitability ratios of BHEL and of TEL.
(iv) TEL carries a strong Value of the tangible assets owned by TEL which are being used in its carrying on manufacturing and ancillary activities which are duly supported by a Valuation Report dated 20.10.2020 submitted by accredited valuer of Land and Buildings.
(v) TEL and BHEL both are part of Textile-Garments/ processed goods category and the Valuer registered with IBBI has identified the Peer group listed entities of BHEL and calculated the prevailing average PE Ratio that is being commanded by the Peer group.
(vi) The Valuer has applied the same comparable Peer group PE ratio to arrive at Comparable Peer Group based market valuation through the earnings of TEL.
(vii) TEL's profitability ratios are significantly low as compared to the profitability ratios of BHEL and TEL; TEL has a strong tangible asset net worth which post-merger will be available to the Merged entity. Duly considering this fact the Valuer has allocated

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Website: www.sobhagyacapital.com
CIN: U74899DL1994PLC060069
SEBI Regn No. MB/INM000008571

weight of 3 to the NAV valuation of TEL and weight of 1 to the Comparable Peer Group market valuation of TEL. In our view this mode of valuation is Fair.

B. With respect to the valuation of BHEL in the proposed Merger

(i) Equity Shares of BHEL have Face Value of Re/1/= fully paid up and are listed on BSE and on NSE and are also being traded on the bourses albeit in small quantities. Since last several years the trades in Shares of BHEL are commanding a very low PE as compared to the PE that its Peer group/ industry on an average is commanding.

(ii) Present PE of BHEL is not at all representing the intrinsic value of equity shares of BHEL and hence the valuer has disregarded the present market value of equity shares of BHEL while valuing the equity shares of BHEL.

(iii) BHEL's peer group has been identified by the Valuer and the present PE that is being enjoyed by the Peer group companies on an average is being considered by the valuer as one of the acceptable mode of valuation of equity shares of BHEL.

(iv) BHEL enjoys a representative Net Asset Value which has been considered by the Valuer.

(v) Valuer has given a weight of 3 to the Comparable Market Value and 1 to the Net Asset Value to arrive at Fair Value of equity shares of BHEL which in our view is Fair.

The Share Exchange Ratio Report/ Valuation report issued by the Valuer recommends the share exchange ratio as below:

QUOTE

This report has been prepared in accordance with the provisions of Section 230-232 of the Companies Act, 2013, where a valuation report issued by an IBBI registered valuer is required.

Based on our analysis of the information provided by the management and subject to our comments as detailed in this report, we have arrived as on Valuation date of 30th Sep 2020 at the fair value per equity share of Rs. 2.96 per share of BHEL having Face Value of Re. 1 each and Rs. 7.79 per equity share of TEL having Face value of Rs. 10 each.

Based on these valuations we also recommend that all the shareholders of TEL holding presently 2,31,34,600 number of shares of TEL (Rs. 10 Face Value) may be allotted 6,08,69,221 number of equity shares of BHEL (Re. 1/- Face Value) in the ratio of 2.63 equity shares of BHEL shares for every one equity share of TEL (Rs. 10/- Face Value) held as per table below.

	Total Number of TEL Shares of Rs. 10 each Face Value		2,31,34,600
	Total Number of BHEL Shares of Re. 1 Face Value recommended to be allotted to the TEL Shareholders		6,08,69,221
	Ratio - 2.63 shares of BHEL shares (Re.1/- Face Value) to be allotted against each one of TEL Shares (Rs. 10/- Face Value)		2.63

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The shares of BHEL are in Dematerialized form and the trading unit is one share; any fraction of entitlement may be rounded off accordingly to avoid any fractional allotment of equity shares.

UNQUOTE

Based on the information and data made available to us including the Share Exchange Ratio / Valuation Report and the proposed Scheme of Merger/ Amalgamation and subject to the Disclaimers as mentioned in this Report, we are of the opinion that, the Share exchange ratio, as suggested by M/s Anil Rustgi, IBBI Registered Valuers, is fair and reasonable.

7. Disclaimer

a) Our scope of work did not include the following:
   - An audit of the financial statements of BHEL and TEL.
   - Carrying out market survey/ financial feasibility for the Business of BHEL and TEL.
   - Conducting Financial and legal due diligence of BHEL and TEL.

b) It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

c) We assume no responsibility and make no representations with respect to the accuracy for completeness of any information provided by the management of BHEL and TEL.

d) We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents other than those stated above.

e) We do not assume any obligation to update, revise or reaffirm this Share Exchange Ratio Report because of events or transactions occurring subsequent to the date of the Report.

f) We understand that the management of BHEL and TEL during our discussions would have drawn our attention to all such information and matters, which may have impact on our opinion. In this Opinion we have included all such information and matters as was received by us from the management of BHEL and TEL.

g) The fee for our services is not contingent upon the result of the proposed Merger.

h) The management of BHEL and TEL or their related parties are prohibited from using this Opinion other than for its sole limited purpose and not to make copy of this opinion available to any party other than those required by statute for carrying out the limited purpose of this opinion. This opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified in this opinion, under any Indian or Foreign Law, Statute, Act, Guidelines or similar instructions.

i) We would not be responsible for any litigation or other actual or threatened claims.

j) In no event, will SCOL, its Directors and employees be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provisions of this opinion.

Thanking you,
For Sobhagya Capital Options Limited

(Nisha)
Company Secretary

REGISTERED OFFICE: B-206, Okhla Industrial Area, Phase-I, New Delhi - 110 020 INDIA
MUMBAI : 306, 'Shiv Smriti', 49A Dr. Annie Besant Road, Worli, Mumbai - 400 018 INDIA

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(Corporate Identification No./CIN : L17115PB1993PLC013930)

Shareholding pattern as on 31.12.2020 filed at BSE.

General information about company (Pre Merger)

Scrip code	512608
NSE Symbol	BHANDARI
MSEI Symbol	NOTLISTED
ISIN	INE474E01029
Name of the company	BHANDARI HOSIERY EXPORTS LTD.
Whether company is SME	No
Class of Security	Equity Shares
Type of report	Quarterly
Quarter Ended / Half year ended/Date of Report (For Prelisting / Allotment)	31-12-2020
Date of allotment / extinguishment (in case Capital Restructuring selected) / Listing Date	
Shareholding pattern filed under	Regulation 31 (1) (b)
Whether the listed entity is Public Sector Undertaking (PSU)?	No

Declaration

Sr. No.	Particular	Yes/No	Promoter and Promoter Group	Public shareholder	Non Promoter-Non Public
1	Whether the Listed Entity has issued any partly paid up shares?	No	No	No	No
2	Whether the Listed Entity has issued any Convertible Securities ?	No	No	No	No
3	Whether the Listed Entity has issued any Warrants ?	No	No	No	No
4	Whether the Listed Entity has any shares against which depository receipts are issued?	No	No	No	No
5	Whether the Listed Entity has any shares in locked-in?	No	No	No	No
6	Whether any shares held by promoters are pledge or otherwise encumbered?	No	No		
7	Whether company has equity shares with differential voting rights?	No	No	No	No
8	Whether the listed entity has any significant beneficial owner?	No			

LUDHIANA

Table I - Summary Statement holding of specified securities											
Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			
								No of Voting (XIV) Rights			Total as a % of (A+B+C)
								Class eg: X	Class eg:y	Total	
(A)	Promoter & Promoter Group	7	36553132			36553132	24.95	36553132		36553132	24.95
(B)	Public	15554	109973818			109973818	75.05	109973818		109973818	75.05
(C)	Non Promoter-Non Public										
(C1)	Shares underlying DRs										
(C2)	Shares held by Employee Trusts										
	Total	15561	146526950			146526950	100	146526950		146526950	100

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Table I - Summary Statement holding of specified securities										
Category (I)	Category of shareholder (II)	No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
						No. (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
(A)	Promoter & Promoter Group				24.95					36553132
(B)	Public				75.05					105953368
(C)	Non Promoter- Non Public									
(C1)	Shares underlying DRs									
(C2)	Shares held by Employee Trusts									
	Total				100					142506500

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Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Sr	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			
								No of Voting (XIV) Rights			Total as a % of Total Voting rights
								Class eg: X	Class eg:y	Total	
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group										
(1)	Indian										
(a)	Individuals/Hindu undivided Family	6	36501800			36501800	24.91	36501800		36501800	24.91
Sub-Total (A)(1)		6	36501800			36501800	24.91	36501800		36501800	24.91
(2)	Foreign										
(a)	Individuals (NonResident Individuals/ Foreign Individuals)	1	51332			51332	0.04	51332		51332	0.04
Sub-Total (A)(2)		1	51332			51332	0.04	51332		51332	0.04
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		7	36553132			36553132	24.95	36553132		36553132	24.95
B	Table III - Statement showing shareholding pattern of the Public shareholder										
(1)	Institutions										
(e)	Foreign Portfolio Investors	1	398194			398194	0.27	398194		398194	0.27
Sub-Total (B)(1)		1	398194			398194	0.27	398194		398194	0.27
(3)	Non-institutions										
(a(i))	Individuals - i.Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	14989	54442052			54442052	37.15	54442052		54442052	37.15
(a(ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	35	42107722			42107722	28.74	42107722		42107722	28.74
(e)	Any Other (specify)	528	13025850			13025850	8.89	13025850		13025850	8.89
Sub-Total (B)(3)		15523	109575624			109575624	74.78	109575624		109575624	74.78
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)		15524	109973818			109973818	75.05	109973818		109973818	75.05
C	Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder										
Total (A+B+C2)		15561	146526950			146526950	100	146526950		146526950	100
Total											

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group									
Sr.	No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
					No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group								
(1)	Indian								
(a)				24.91					36501800
Sub-Total (A) (1)				24.91					36501800
(2)	Foreign								
(a)				0.04					51332
Sub-Total (A) (2)				0.04					51332
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)				24.95					36553132
B	Table III - Statement showing shareholding pattern of the Public shareholder								
(1)	Institutions								
(e)				0.27					398194
Sub-Total (B) (1)				0.27					398194
(3)	Non-institutions								
(a(i))				37.15					50767502
(a(ii))				28.74					42107722
(c)				8.89					12679950
Sub-Total (B) (3)				74.78					105555174
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)				75.05					105953368
C	Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder								
Total (A+B+C2)				100					142506500
Total (A+B+C)				100					142506500

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Individuals/Hindu undivided Family							
Searial No.	1	2	3	4	5	6	7
Name of the Shareholders (I)	Nitin Bhandar	Nitika Bhandari	Kusum Bhandari	Naresh Bhandari	Mamta Bhandari	Shiva Bhandari	Ankit Bhandari
PAN (II)	AFPPB0808R	AFAPB9359Q	AIBHPB7524L	ACWPB4357K	DBGPB7167H	DBGPB7163D	BPWPB8706E
No. of fully paid up equity shares held (IV)	25178300	8676062	2637338	6750	1675	1675	0
No. Of Partly paid-up equity shares held (V)							
No. Of shares underlying Depository Receipts (VI)							
Total nos. shares held (VII) = (IV)+(V)+ (VI)	25178300	8676062	2637338	6750	1675	1675	0
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	17.18	5.92	1.8	0	0	0	0
Number of Voting Rights held in each class of securities (IX)							
Class eg:X	25178300	8676062	2637338	6750	1675	1675	0
Class eg:y							
Total	25178300	8676062	2637338	6750	1675	1675	0
Total as a % of Total Voting rights	17.18	5.92	1.8	0	0	0	0
No. Of Shares Underlying Outstanding convertible securities (X)							
No. of Shares Underlying Outstanding Warrants (Xi)							
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)							
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(Xi)(a) As a % of (A+B+C2)	17.18	5.92	1.8	0	0	0	0
Number of Locked in shares (XII)							
No. (a)							
As a % of total Shares held (b)							
Number of Shares pledged or otherwise encumbered (XIII)							
No. (a)							
As a % of total Shares held (b)							

Nitin Bhandar

LUDHIANA

Number of equity shares held in dematerialized form (XIV)	25178300	8676062	2637338	6750	1675	1675	0
Reason for not providing PAN							
Reason for not providing PAN							
Shareholder type	Promoter	Promoter	Promoter	Promoter	Promoter	Promoter	Promoter



Individuals/Hindu undivided Family	
Searial No.	
Name of the Shareholders (I)	Click here to go back
PAN (II)	Total
No. of fully paid up equity shares held (IV)	36501800
No. Of Partly paid-up equity shares held (V)	
No. Of shares underlying Depository Receipts (VI)	
Total nos shares held (VII) = (IV)+(V)+ (VI)	36501800
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	24.91
Number of Voting Rights held in each class of securities (IX)	
Class eg:X	36501800
Class eg:y	
Total	36501800
Total as a % of Total Voting rights	24.91
No. Of Shares Underlying Outstanding convertible securities (X)	
No. of Shares Underlying Outstanding Warrants (Xi)	
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X)(a) As a % of (A+B+C2)	24.91
Number of Locked in shares (XII)	
No. (a)	
As a % of total Shares held (b)	
Number of Shares pledged or otherwise encumbered (XIII)	
No. (a)	
As a % of total Shares held (b)	

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Number of equity shares held in dematerialized form (XIV)	36501800
Reason for not providing PAN	
Reason for not providing PAN	
Shareholder type	



Individuals (NonResident Individuals/ Foreign Individuals)		
Searial No.	1	
Name of the Shareholders (I)	Suresh K Bhandari	Click here to go back
PAN (II)	BCNPB7150G	Total
No. of fully paid up equity shares held (IV)	51332	51332
No. Of Partly paid-up equity shares held (V)		
No. Of shares underlying Depository Receipts (VI)		
Total nos. shares held (VII) = (IV)+(V)+ (VI)	51332	51332
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	0.04	0.04
Number of Voting Rights held in each class of securities (IX)		
Class eg: X	51332	51332
Class eg:y		
Total	51332	51332
Total as a % of Total Voting rights	0.04	0.04
No. Of Shares Underlying Outstanding convertible securities (X)		
No. of Shares Underlying Outstanding Warrants (Xi)		
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)		
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	0.04	0.04
Number of Locked in shares (XII)		
No. (a)		
As a % of total Shares held (b)		
Number of Shares pledged or otherwise encumbered (XIII)		
No (a)		
As a % of total Shares held (b)		

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Number of equity shares held in dematerialized form (XIV)	51332	51332
Reason for not providing PAN		
Reason for not providing PAN		
Shareholder type	Promoter	



Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.							
Searial No	1	2	3	4	5	6	7
Name of the Shareholders (I)	Alka Mittal	Alkesh M Gogani	Geeta Radhakrishna Desai	Gurudas Sabaji Desai	Meena Sheth	Radhakrishna Sabaji Desai	Rajeev Mittal
PAN (II)	AAXPM2704N	AABPG7750Q	AHRPD2769H	AACPD7503M	AACFO3151E	AACPD7504N	ACHPM4702A
No. of fully paid up equity shares held (IV)	2500000	1600000	4783560	3303550	4600000	3303540	2145000
No. Of Partly paid-up equity shares held (V)							
No. Of shares underlying Depository Receipts (VI)							
Total nos. shares held (VII) = (IV)+(V)+ (VI)	2500000	1600000	4783560	3303550	4600000	3303540	2145000
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	1.71	1.09	3.26	2.25	3.14	2.25	1.46
Number of Voting Rights held in each class of securities (IX)							
Class eg: X	2500000	1600000	4783560	3303550	4600000	3303540	2145000
Class eg y							
Total	2500000	1600000	4783560	3303550	4600000	3303540	2145000
Total as a % of Total Voting rights	1.71	1.09	3.26	2.25	3.14	2.25	1.46
No. Of Shares Underlying Outstanding convertible securities (X)							
No. of Shares Underlying Outstanding Warrants (Xi)							
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)							
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	1.71	1.09	3.26	2.25	3.14	2.25	1.46
Number of Locked in shares (XII)							
No. (a)							
As a % of total Shares held (b)							
Number of equity shares held in dematerialized form (XIV)	2500000	1600000	4783560	3303550	4600000	3303540	2145000



Reason for not providing PAN							
Reason for not providing PAN							



Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.			
Searial No.	8	9	
Name of the Shareholders (I)	Shyam Abhay Jasani	Vasudha Gurudas Desai	Click here to go back
PAN (II)	AACPJ3729R	AHRPD2768Q	Total
No. of fully paid up equity shares held (IV)	4000000	4414990	30650640
No. Of Partly paid-up equity shares held (V)			
No. Of shares underlying Depository Receipts (VI)			
Total nos. shares held (VII) = (IV)+(V)+ (VI)	4000000	4414990	30650640
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	2.73	3.01	20.92
Number of Voting Rights held in each class of securities (IX)			
Class eg: X	4000000	4414990	30650640
Class eg:y			
Total	4000000	4414990	30650640
Total as a % of Total Voting rights	2.73	3.01	20.92
No. Of Shares Underlying Outstanding convertible securities (X)			
No. of Shares Underlying Outstanding Warrants (Xi)			
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)			
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	2.73	3.01	20.92
Number of Locked in shares (XII)			
No. (a)			
As a % of total Shares held (b)			
Number of equity shares held in dematerialized form (XIV)	4000000	4414990	30650640
Reason for not providing PAN			



Reason for not providing PAN			



Any Other (specify)					
Searial No.	1	2	3	4	
Category	HUF	Non-Resident Indian (NRI)	Bodies Corporate	Clearing Members	
Category / More than 1 percentage	Category	Category	Category	Category	
Name of the Shareholders (I)					Click here to go back
PAN (II)					Total
No. of the Shareholders (I)	259	104	71	94	528
No. of fully paid up equity shares held (IV)	3739810	5214725	1666213	2405102	13025850
No. Of Partly paid-up equity shares held (V)					
No. Of shares underlying Depository Receipts (VI)					
Total nos. shares held (VII) = (IV)+(V)+ (VI)	3739810	5214725	1666213	2405102	13025850
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	2.55	3.56	1.14	1.64	8.89
Number of Voting Rights held in each class of securities (IX)					
Class eg: X	3739810	5214725	1666213	2405102	13025850
Class eg:y					
Total	3739810	5214725	1666213	2405102	13025850
Total as a % of Total Voting rights	2.55	3.56	1.14	1.64	8.89
No. Of Shares Underlying Outstanding convertible securities (X)					
No. of Shares Underlying Outstanding Warrants (Xi)					
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)					
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	2.55	3.56	1.14	1.64	8.89
Number of Locked in shares (XII)					
No. (a)					



As a % of total Shares held (b)					
Number of equity shares held in dematerialized form (XIV)	3739810	5214725	1320313	2405102	12679950
Reason for not providing PAN					
Reason for not providing PAN					



Sr. No.Details of the SBODetails of the registered ownerDetails of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*:Date of creation / acquisition of significant beneficial interestNamePAN Passport No. in case of a foreign nationalNationalityNationality (Applicable in case of Any other is selected)NamePAN Passport No. in case of a foreign nationalNationalityNationality (Applicable in case of Any other is selected)Whether by virtue of:Shares Voting rightsRights on distributable dividend or any other distributionExercise of controlExercise of significant influence





Bhandari Hosiery Exports Ltd.

Sustainable Innovation
Design • Fabric • Garments
(A GOVT. OF INDIA RECOGNISED EXPORT HOUSE)
R.O. : Bhandari House, Village Meharban, Rahon Road, LUDHIANA-141 007 (INDIA)
Phones : +91-88720 16409, +91-88720 16410
E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com
(Corporate Identification No./CIN : L17115PB1993PLC013930)

Shareholding Pattern of Bhandari Hosiery Exports Limited (Post Merger)

General information about company	
Scrip code	512608
NSE Symbol	BHANDARI
MSEI Symbol	NOTLISTED
ISIN	INE474E01029
Name of the company	BHANDARI HOSIERY EXPORTS LIMITED
Whether company is SME	No
Class of Security	Equity Shares
Type of report	Quarterly
Quarter Ended / Half year ended/Date of Report (For Prelisting / Allotment)	25-01-2021
Date of allotment / extinguishment (in case Capital Restructuring selected) / Listing Date	
Shareholding pattern filed under	Regulation 31 (1) (b)
Whether the listed entity is Public Sector Undertaking (PSU)?	No

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Declaration					
Sr. No	Particular	Yes/No	Promoter and Promoter Group	Public shareholder	Non Promoter-Non Public
1	Whether the Listed Entity has issued any partly paid up shares?	No	No	No	No
2	Whether the Listed Entity has issued any Convertible Securities ?	No	No	No	No
3	Whether the Listed Entity has issued any Warrants ?	No	No	No	No
4	Whether the Listed Entity has any shares against which depository receipts are issued?	No	No	No	No
5	Whether the Listed Entity has any shares in locked-in?	No	No	No	No
6	Whether any shares held by promoters are pledge or otherwise encumbered?	No	No		
7	Whether company has equity shares with differential voting rights?	No	No	No	No
8	Whether the listed entity has any significant beneficial owner?	No			

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			
								No of Voting (XIV) Rights			Total as a % of (A+B+C)
								Class eg: X	Class eg:	Total	
(A)	Promoter & Promoter Group	7	97368802			97368802	46.95	97368802		97368802	46.96
(B)	Public	15557	110027368			110027368	53.05	109973818		109973818	53.04
(C)	Non Promoter-Non Public										
(C1)	Shares underlying DRs										
(C2)	Shares held by Employee Trusts										
	Total	15564	207396170			207396170	100	207342620		207342620	100

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(A)	Promoter & Promoter Group				46.95					97368802
(B)	Public				53.05					105953368
(C)	Non Promoter- Non Public									
(C1)	Shares underlying DRs									
(C2)	Shares held by Employee Trusts									
	Total				100					203322170

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Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			
								No of Voting (XIV) Rights			Total as a % of Total Voting rights
								Class eg: X	Class eg:y	Total	
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group										
(1)	Indian										
(a)	Individuals/Hindu undivided Family	6	97317470			97317470	46.92	97317470		97317470	46.94
Sub-Total (A)(1)		6	97317470			97317470	46.92	97317470		97317470	46.94
(2)	Foreign										
(a)	Individuals (NonResident Individuals/ Foreign Individuals)	1	51332			51332	0.02	51332		51332	0.02
Sub-Total (A)(2)		1	51332			51332	0.02	51332		51332	0.02
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		7	97368802			97368802	46.95	97368802		97368802	46.96
B	Table III - Statement showing shareholding pattern of the Public shareholder										
(1)	Institutions										
(e)	Foreign Portfolio Investors	1	398194			398194	0.19	398194		398194	0.19
Sub-Total (B)(1)		1	398194			398194	0.19	398194		398194	0.19
(3)	Non-institutions										
(a(i))	Individuals - i.Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	14992	54495602			54495602	26.28	54442052		54442052	26.26
(a(ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	36	42107722			42107722	20.3	42107722		42107722	20.31
(e)	Any Other (specify)	528	13025850			13025850	6.28	13025850		13025850	6.28
Sub-Total (B)(3)		15556	109629174			109629174	52.86	109575624		109575624	52.85
Total Public Shareholding (B)=(B)(1)+ (B)(2)+(B)(3)		15557	110027368			110027368	53.05	109973818		109973818	53.04
C	Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder										
Total		15564	207396170			207396170	100	207342620		207342620	100

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(A+B+C2)											
Total (A+B+C)		15564	207396170			207396170	100	207342620		207342620	100



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Sr.	No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
					No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group								
(1)	Indian								
(a)				46.92					97317470
Sub-Total (A) (1)				46.92					97317470
(2)	Foreign								
(a)				0.02					51332
Sub-Total (A) (2)				0.02					51332
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)				46.95					97368802
B	Table III - Statement showing shareholding pattern of the Public shareholder								
(1)	Institutions								
(e)				0.19					398194
Sub-Total (B) (1)				0.19					398194
(3)	Non-institutions								
(a(i))				26.28					50767502
(a(ii))				20.3					42107722
(e)				6.28					12679950
Sub-Total (B) (3)				52.86					105555174
Total Public Shareholding (B)=(B)(1)+ (B)(2)+(B)(3)				53.05					105953368
C	Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder								
Total (A+B+C2)				100					203322170
Total (A+B+C)				100					203322170

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Individuals/Hindu undivided Family							
Searial No.	1	2	3	4	5	6	7
Name of the Shareholders (I)	Nitin Bhandari	Nitika Bhandari	Kusum Bhandari	Naresh Bhandari	Mamta Bhandari	Shiva Bhandari	Ankit Bhandari
PAN (II)	AFPPB0808R	AFAPB9359Q	ABHPB7524L	ACWPB4357K	DBGPB7167H	DBGPB7163D	DPWPB8706E
No. of fully paid up equity shares held (IV)	69591360	8676062	19039948	6750	1675	1675	0
No. Of Partly paid-up equity shares held (V)							
No. Of shares underlying Depository Receipts (VI)							
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	69591360	8676062	19039948	6750	1675	1675	0
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	33.55	4.18	9.18	0	0	0	0
Number of Voting Rights held in each class of securities (IX)							
Class eg X	69591360	8676062	19039948	6750	1675	1675	0
Class eg y							
Total	69591360	8676062	19039948	6750	1675	1675	0
Total as a % of Total Voting rights	33.56	4.18	9.18	0	0	0	0
No. Of Shares Underlying Outstanding convertible securities (X)							
No. of Shares Underlying Outstanding Warrants (Xi)							
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)							
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(Xi)(a) As a % of (A+B+C2)	33.55	4.18	9.18	0	0	0	0
Number of Locked in shares (XII)							

Nitin Bhandari

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

No. (a)							
As a % of total Shares held (b)							
Number of Shares pledged or otherwise encumbered (XIII)							
No. (a)							
As a % of total Shares held (b)							
Number of equity shares held in dematerialized form (XIV)	69591360	8676062	19039948	6750	1675	1675	0
Reason for not providing PAN							
Reason for not providing PAN							
Shareholder type	Promoter	Promoter	Promoter	Promoter	Promoter	Promoter	Promoter

BHANDARI HOSIERY EXPORTS LTD
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Individuals/Hindu undivided Family	
Searial No.	
Name of the Shareholders (I)	Click here to go back
PAN (II)	Total
No. of fully paid up equity shares held (IV)	97317470
No. Of Partly paid-up equity shares held (V)	
No. Of shares underlying Depository Receipts (VI)	
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	97317470
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	46.92
Number of Voting Rights held in each class of securities (IX)	
Class eg:X	97317470
Class eg:y	
Total	97317470
Total as a % of Total Voting rights	46.94
No. Of Shares Underlying Outstanding convertible securities (X)	
No. of Shares Underlying Outstanding Warrants (Xi)	
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII) +(Xi)(a) As a % of (A+B+C2)	46.92
Number of Locked in shares (XII)	
No. (a)	
As a % of total Shares held (b)	
Number of Shares pledged or otherwise encumbered (XIII)	
No. (a)	

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As a % of total Shares held (b)	
Number of equity shares held in dematerialized form (XIV)	97317470
Reason for not providing PAN	
Reason for not providing PAN	
Shareholder type	



Individuals (NonResident Individuals/ Foreign Individuals)		
Searial No.	1	
Name of the Shareholders (I)	Suresh K Bhandari	Click here to go back
PAN (II)	BCNPB7150G	Total
No. of fully paid up equity shares held (IV)	51332	51332
No. Of Partly paid-up equity shares held (V)		
No. Of shares underlying Depository Receipts (VI)		
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	51332	51332
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	0.02	0.02
Number of Voting Rights held in each class of securities (IX)		
Class eg: X	51332	51332
Class eg:y		
Total	51332	51332
Total as a % of Total Voting rights	0.02	0.02
No. Of Shares Underlying Outstanding convertible securities (X)		
No. of Shares Underlying Outstanding Warrants (Xi)		
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)		
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII) +(X) As a % of (A+B+C2)	0.02	0.02
Number of Locked in shares (XII)		
No. (a)		
As a % of total Shares held (b)		
Number of Shares pledged or otherwise encumbered (XIII)		
No. (a)		

S K Bhandari

LUDHIANA

As a % of total Shares held (b)		
Number of equity shares held in dematerialized form (XIV)	51332	51332
Reason for not providing PAN		
Reason for not providing PAN		
Shareholder type	Promoter	



Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.							
Searial No.	1	2	3	4	5	6	7
Name of the Shareholders (I)	Alka Mittal	Alkesh M Gogoni	Geeta Radhakrishna Desai	Gurudas Sabaji Desai	Meena Sheth	Radhakrishna Sabaji Desai	Rajeev Mittal
PAN (II)	AAXPM2704N	AABPG7750Q	AHRPD2769H	AACPD7503M	AACFO3151E	AACPD7504N	ACHPM4702A
No. of fully paid up equity shares held (IV)	2500000	1600000	4783560	3303550	4600000	3303540	2145000
No. Of Partly paid-up equity shares held (V)							
No. Of shares underlying Depository Receipts (VI)							
Total nos shares held (VII) = (IV)+ (V)+ (VI)	2500000	1600000	4783560	3303550	4600000	3303540	2145000
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	1.21	0.77	2.31	1.59	2.22	1.59	1.03
Number of Voting Rights held in each class of securities (IX)							
Class eg: X	2500000	1600000	4783560	3303550	4600000	3303540	2145000
Class eg:y							
Total	2500000	1600000	4783560	3303550	4600000	3303540	2145000
Total as a % of Total Voting rights	1.21	0.77	2.31	1.59	2.22	1.59	1.03
No. Of Shares Underlying Outstanding convertible securities (X)							
No. of Shares Underlying Outstanding Warrants (Xi)							
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)							
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	1.21	0.77	2.31	1.59	2.22	1.59	1.03
Number of Locked in shares (XII)							

Nitin Bhandari

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No. (a)							
As a % of total Shares held (b)							
Number of equity shares held in dematerialized form (XIV)	2500000	1600000	4783560	3303550	4600000	3303540	2145000
Reason for not providing PAN							
Reason for not providing PAN							



Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.			
Searial No.	8	9	
Name of the Shareholders (I)	Shyam Abhay Jasani	Vasudha Gurudas Desai	Click here to go back
PAN (II)	AACPJ3729R	AIIRPD2768G	Total
No. of fully paid up equity shares held (IV)	4000000	4414990	30650640
No. Of Partly paid-up equity shares held (V)			
No. Of shares underlying Depository Receipts (VI)			
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	4000000	4414990	30650640
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	1.93	2.13	14.78
Number of Voting Rights held in each class of securities (IX)			
Class eg: X	4000000	4414990	30650640
Class eg:y			
Total	4000000	4414990	30650640
Total as a % of Total Voting rights	1.93	2.13	14.78
No. Of Shares Underlying Outstanding convertible securities (X)			
No. of Shares Underlying Outstanding Warrants (Xi)			
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)			
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII) +(X) As a % of (A+B+C2)	1.93	2.13	14.78
Number of Locked in shares (XII)			
No. (a)			
As a % of total Shares held (b)			
Number of equity shares held in dematerialized form (XIV)	4000000	4414990	30650640

Mitu Bhandari

HOSIERY EXPORTS LTD LUDHIANA

Reason for not providing PAN			
Reason for not providing PAN			

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Any Other (specify)					
Sr.no.	1	2	3	4	
Category	HUF	Non-Resident Indian (NRI)	Bodies Corporate	Clearing Members	
Category / More than 1 percentage	Category	Category	Category	Category	
Name of the Shareholders (I)					Click here to go back
PAN (II)					Total
No. of the Shareholders (I)	259	104	71	94	528
No. of fully paid up equity shares held (IV)	3739810	5214725	1666213	2405102	13025850
No. Of Partly paid-up equity shares held (V)					
No. Of shares underlying Depository Receipts (VI)					
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	3739810	5214725	1666213	2405102	13025850
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	1.8	2.51	0.8	1.16	6.27
Number of Voting Rights held in each class of securities (IX)					
Class eg: X	3739810	5214725	1666213	2405102	13025850
Class eg:y					
Total	3739810	5214725	1666213	2405102	13025850
Total as a % of Total Voting rights	1.8	2.52	0.8	1.16	6.28
No. Of Shares Underlying Outstanding convertible securities (X)					
No. of Shares Underlying Outstanding Warrants (Xi)					
No. Of Shares Underlying Outstanding convertible securities and No Of Warrants (Xi) (a)					
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII) +(X) As a % of (A+B+C2)	1.8	2.51	0.8	1.16	6.27
Number of Locked in shares (XII)					
No. (a)					

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As a % of total Shares held (b)					
Number of equity shares held in dematerialized form (XIV)	3739810	5214725	1320313	2405102	12679950
Reason for not providing PAN					
Reason for not providing PAN					

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Sr. No.Details of the SBODetails of the registered ownerDetails of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*:Date of creation / acquisition of significant beneficial interestNamePAN Passport No. in case of a foreign nationalNationalityNationality (Applicable in case of Any other is selected)NamePAN Passport No. in case of a foreign nationalNationalityNationality (Applicable in case of Any other is selected)Whether by virtue of:SharesVoting rightsRights on distributable dividend or any other distributionExercise of controlExercise of significant influence

BHANGARI HOSIERY EXPORTS LTD. LUDHIANA

TIKANI EXPORTS LIMITED

Regd. Office : KH # 400/413, Bhandari House,
Village Meharban, Rahon Road, LUDHIANA-141007 (india)
Phones : +91-88720 16409, +91-88720 16410
E-mail : tikaniexport@gmail.com
CIN : U18202PB2019PLC049906)

Shareholding pattern of Tikani Exports Limited (Pre Merger)

General information about company	
Name of the company	TIKANI EXPORTS LIMITED
Whether company is SME	No
Class of Security	Equity Shares
Quarter Ended / Half year ended/Date of Report (For Prelisting / Allotment)	31-12-2020
Whether the listed entity is Public Sector Undertaking (PSU)?	No

TIKANI HOSIERY EXPORTS LTD. LUDHIANA

TIKANI EXPORTS LIMITED LUDHIANA

Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			
								No of Voting (XIV) Rights			Total as a % of (A+B+C)
								Class eg: X	Class eg:y	Total	
(A)	Promoter & Promoter Group	7	23134600			23134600	100	23134600		23134600	100
(B)	Public										
(C)	Non Promoter- Non Public										
(C1)	Shares underlying DRs										
(C2)	Shares held by Employee Trusts										
	Total	7	23134600			23134600	100	23134600		23134600	100

TIKANI EXPORTS LIMITED
LUDHIANA

Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(A)	Promoter & Promoter Group				100					0
(B)	Public									
(C)	Non Promoter-Non Public									
(C1)	Shares underlying DRs									
(C2)	Shares held by Employee Trusts									
	Total				100					0

Nitin Bhandari

TIKANI EXPORTS LIMITED LUDHIANA

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Sr	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			
								No of Voting (XIV) Rights			Total as a % of Total Voting rights
								Class eg: X	Class eg:y	Total	
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group										
(1)	Indian										
(a)	Individuals/Hindu undivided Family	7	23134600			23134600	100	23134600		23134600	100
Sub-Total (A)(1)		7	23134600			23134600	100	23134600		23134600	100
(2)	Foreign										
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		7	23134600			23134600	100	23134600		23134600	100
B	Table III - Statement showing shareholding pattern of the Public shareholder										
(1)	Institutions										
(3)	Non-institutions										
C	Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder										
Total (A+B+C2)		7	23134600			23134600	100	23134600		23134600	100
Total (A+B+C)		7	23134600			23134600	100	23134600		23134600	100

TIKANI EXPORTS LIMITED
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Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Sr.	No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
					No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group								
(1)	Indian								
(a)				100					0
Sub-Total (A) (1)				100					0
(2)	Foreign								
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)				100					0
B	Table III - Statement showing shareholding pattern of the Public shareholder								
(1)	Institutions								
(3)	Non-institutions								
C	Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder								
Total (A+B+C2)				100					0
Total (A+B+C)				100					0

Nitin Bhandari

TIKANI EXPORTS LIMITED LUDHIANA

Individuals/Hindu undivided Family							
Searial No	1	2	3	4	5	6	7
Name of the Shareholders (I)	Nitin Bhandari	Manoj Kumar	Kusum Bhandari	Chhinder Kumar	Sudhansu Kumar nayak	Naveen Kumar	Anceta Dutt
PAN (II)	AFPPB0808R	AMUPS1954C	ABHPB7524L	AKNPK9011G	AXDPN9011G	BKSPK7820D	AHGPT6483R
No. of fully paid up equity shares held (IV)	16880100	4070	6234150	4070	4070	4070	4070
No. Of Partly paid-up equity shares held (V)							
No. Of shares underlying Depository Receipts (VI)							
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	16880100	4070	6234150	4070	4070	4070	4070
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	72.96	0.02	26.95	0.02	0.02	0.02	0.02
Number of Voting Rights held in each class of securities (IX)							
Class eg:X	16880100	4070	6234150	4070	4070	4070	4070
Class eg:y							
Total	16880100	4070	6234150	4070	4070	4070	4070
Total as a % of Total Voting rights	72.96	0.02	26.95	0.02	0.02	0.02	0.02
No. Of Shares Underlying Outstanding convertible securities (X)							
No. of Shares Underlying Outstanding Warrants (Xi)							
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)							
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(Xi(a) As a % of (A+B+C2)	72.96	0.02	26.95	0.02	0.02	0.02	0.02

Nitin Bhandari

EXPORTS LIMITED LUDHIANA

Number of Locked in shares (XII)							
No. (a)							
As a % of total Shares held (b)							
Number of Shares pledged or otherwise encumbered (XIII)							
No. (a)							
As a % of total Shares held (b)							
Number of equity shares held in dematerialized form (XIV)	0	0	0	0	0	0	0
Reason for not providing PAN							
Reason for not providing PAN							
Shareholder type	Promoter	Promoter	Promoter	Promoter	Promoter	Promoter	Promoter

Nitin Bhandari

BEKAANI EXPORTS LIMITED LUDHIANA

Individuals/Hindu undivided Family	
Searial No	
Name of the Shareholders (I)	Click here to go back
PAN (II)	Total
No. of fully paid up equity shares held (IV)	23134600
No. Of Partly paid-up equity shares held (V)	
No. Of shares underlying Depository Receipts (VI)	
Total nos. shares held (VII) = (IV)+ (V)+ (VI)	23134600
Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	100
Number of Voting Rights held in each class of securities (IX)	
Class eg: X	23134600
Class eg:y	
Total	23134600
Total as a % of Total Voting rights	100
No. Of Shares Underlying Outstanding convertible securities (X)	
No. of Shares Underlying Outstanding Warrants (Xi)	
No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	
Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII) +(X)(a) As a % of (A+B+C2)	100
Number of Locked in shares (XII)	
No. (a)	
As a % of total Shares held (b)	
Number of Shares pledged or otherwise encumbered (XIII)	

No. (a)	
As a % of total Shares held (b)	
Number of equity shares held in dematerialized form (XIV)	0
Reason for not providing PAN	
Reason for not providing PAN	
Shareholder type	

Shareholding Pattern of Tikani Exports Limited (Post Merger)

- Tikani Export Limited (Transferor Company) being merged with Bhandari Hosiery Exports Limited (Transferor company). Tikani Exports Limited has no shareholding post merger.

For Tikani Exports Limited

Nitin Bhandari
Director

TIKANI EXPORTS LIMITED LUDHIANA

Bhandari Hosiery Exports Ltd.

Sustainable Innovation
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R.O. : Bhandari House, Village Meharban, Rahon Road, LUDHIANA-141 007 (INDIA)
Phones : +91-88720 16409, +91-88720 16410
E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com
(Corporate Identification No./CIN : L17115PB1993PLC013930)

Annexure II

Pre and Post Amalgamation/Arrangement shareholding pattern of Transferor and Transferee Company.

			Transferor Company		Transferee company			
			Pre-arrangement		Pre-arrangement		Post-arrangement	
Sr. No.	Description	Name of Shareholder	No. of shares	%	No. of shares	%	No. of shares	%
(A)	Shareholding of Promoter and Promoter Group							
1	Indian		23134600	100	36501800	24.91	97317470	46.94
	Individuals/ Hindu Undivided Family	**Names of Promoter (Transferor Company)**						
		Nitin Bhandari	16880100	72.96				
		Kusum Bhandari	6234150	26.95				
		Manoj Kumar	4070	.017				
		Sudhansu Kumar Nayak	4070	.017				
		Naveen Kumar	4070	.017				
		Chhinder Kumar	4070	.017				
		Aneeta Dutt	4070	.017				
		Name of Promoter (Transferee Company)						
		Nitin Bhandari			25178300	17.18	69591360	33.55
		Nitika Bhandari			8676062	05.92	8676062	4.18
		Kusum Bhandari			2637338	01.80	19039948	9.18
		Naresh Kumar			6750	.0046	6750	.0032
		Shiva Bhandari			1675	.0011	1675	.0008
		Mamta Bhandari			1675	.0011	1675	.0008
		Ankit Bhandari			0	0	0	0
(b)	Central Government/ State Government(s)	Names						
(c)	Bodies Corporate	Names						

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

(d)	Financial Institutions/ Banks							
(e)	Any Others							
	Sub Total(A)(1)		23134600	100	36501800	24.91	97317470	46.94
2	**Foreign**							
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)				51332	0.03	51332	0.02
(b)	Bodies Corporate							
(c)	Institutions							
(d)	Any Others							
	Sub Total(A)(2)				51332	0.03	51332	0.02
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		23134600	100	36553132	24.94	97368802	46.96
(B)	**Public shareholding**							
1	**Institutions**							
(a)	Mutual Funds/ UTI							
(b)	Financial Institutions/ Banks							
(c)	Central Government/ State Government(s)							
(d)	Venture Capital Funds							
(c)	Insurance Companies							
(f)	Foreign Institutional Investors							
(g)	Foreign Venture Capital Investors							
(h)	Any Other				398194	0.27	398194	0.19
	Sub-Total (B)(1)							
2	**Non-institutions**							
(a)	Bodies							

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	Corporate							
(b)	Individuals							
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh				54442052	37.15	54495602	26.27
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.				42107722	28.73	42107722	20.30
(c)	Any Other				13025850	8.89	13025850	6.28
	Sub-Total (B)(2)				109973818	75.06	110037368	53.04
(B)	**Total Public Shareholding (B)= (B)(1)+(B)(2)**							
	TOTAL (A)+(B)		23134600	100	146526950	100	207396170	100
(C)	Shares held by Custodians and against which DRs have been issued							
	GRAND TOTAL (A)+(B)+(C)		**23134600**	**100**	**146526950**	**100**	**207396170**	**100**

- One share is rounded off while issuing shares to transferor company after post merger

For Bhandari Hosiery Exports Ltd.

Nitin Bhandari
Managing Director

Bhandari Hosiery Exports Ltd.

Sustainable Innovation
Design • Fabric • Garments
(A GOVT. OF INDIA RECOGNISED EXPORT HOUSE)
R.O. : Bhandari House, Village Meharban, Rahon Road, LUDHIANA-141 007 (INDIA)
Phones : +91-88720 16409, +91-88720 16410
E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com
(Corporate Identification No./CIN : L17115PB1993PLC013930)

Annexure IV

The financial details of companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: Bhandari Hosiery Exports Ltd

(Amt in Rs.)

Particulars	As per last Audited Half year as on 30.09.2020	As per last Audited Financial Year (31.03.2020)	1 year prior to the last Audited Financial Year (31.03.2019)	2 years prior to the last Audited Financial Year (31.03.2018)
Equity Paid up Capital	146526950	146526950	146526950	146526950
Reserves and surplus	580732176	592555675	541205561	489415084
Carry forward losses	0	0	0	0
Net Worth	727259126	739082625	687732510	635942034
Miscellaneous Expenditure	0	0	0	0
Secured Loans	1059202639	9586164141	857889955	768425258
Unsecured Loans	90900000	90900000	8700000	50748217
Fixed Assets	639320747	652513900	535310882	561836003
Income from Operations	798596241	2774301559	2662619767	2483473766
Total Income	798813912	2775350737	2663927811	2484296376
Total Expenditure	810637412	2712732328	2600748764	2425189547
Profit (loss) before Tax	(11823499)	62618409	63179047	59106829
Profit (loss) after Tax	(11823499)	53118409	53554047	49569558
Cash profit	12652561	105262849	97077098	90971455
EPS	(0.08)	0.36	0.37	0.34
Book value	1	1	1	1

For and on behalf of
Bhandari Hosiery Exports Ltd

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Managing Director

Chief Financial Officer

KRISHAN GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS

S.C.O. : 17-18-B, GURDWARA SHAHEEDAN
PHERUMAN MARKET, G.T. ROAD,
OPP. MANJU CINEMA, LUDHIANA - 141 003.
PHONE : 0161-2543069, 5029217
E-mail: krishangoelassociates@yahoo.in

(On the letter head of auditors)

ANNEXURE V

Auditor's certificate

To,
The Board of Directors,
Bhandari Hosiery Exports Limited,
Bhandari House, Village Meharban
Rahon Road, Ludhiana-141007.

We, the statutory auditors of Bhandari Hosiery Exports Limited, have examined the proposed accounting treatment specified in clause 4 of the Draft Scheme of Merger between Bhandari Hosiery Exports Limited and Tikani Exports Limited in terms of the provisions of section 230 to 232 of Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

This Certificate is issued at the request of the Bhandari Hosiery Exports Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Ltd. This Certificate should not be used for any other purpose without our prior written consent.

For Krishan Goel & Associates
Chartered Accountants
Firm Registration No.: 009607N

KRISHAN GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN009607N

Manoj Jain
Partner
Membership Number: 091621

BHANDARI HOSIERY EXPORTS LTD.

Place: Ludhiana
Date: 07/11/2020
UDIN: 20091621AAAAEY8793

Vipan Kumar Aggarwal & Co.
CHARTERED ACCOUNTANTS

ANNEXURE V

Auditor's certificate

To,
The Board of Directors,
Tikani Exports Limited,
KH# 400/413, Bhandari House, Village
Meharban, Rahon Road, Ludhiana-141007.

We, the statutory auditors of Tikani Exports Limited, have examined the proposed accounting treatment specified in clause 4 of the Draft Scheme of Merger between Bhandari Hosiery Exports Limited and Tikani Exports Limited in terms of the provisions of section 230 to 232 of Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN 007245N LUDHIANA

TIKANI EXPORTS LIMITED LUDHIANA

Address: SCO 15-16, 3rd Floor, Jandu Tower, G.T. Road, Ludhiana – 141003, Punjab
Contact: - (M) 98140-77789, 85569-02020 (O) 0161-4667789
Email – ca.vipanaggarwal@gmail.com, varun@cavarunaggarwal.in

Vipan Kumar Aggarwal & Co.
CHARTERED ACCOUNTANTS

This Certificate is issued at the request of the Tikani Exports Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Ltd. This Certificate should not be used for any other purpose without our prior written consent.

For
Vipan Kumar Aggarwal & Co
Chartered Accountants
Firm Registration No.: 007245N

Vipan Kumar Aggarwal
Partner
Membership Number: 081198

Place: Ludhiana
Date: 07/11/2020
UDIN: 21081198AAAABH4151

Address: SCO 15-16, 3rd Floor, Jandu Tower, G.T. Road, Ludhiana – 141003, Punjab
Contact: - (M) 98140-77789, 85569-02020 (O) 0161-4667789
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Bhandari Hosiery Exports Ltd.

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R.O. : Bhandari House, Village Meharban, Rahon Road, LUDHIANA-141 007 (INDIA)
Phones : +91-88720 16409, +91-88720 16410
E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com
(Corporate Identification No./CIN : L17115PB1993PLC013930)

Annexure VI

Compliance Report

[to be submitted along with the draft scheme]

It is hereby certified that the draft Scheme of Arrangement involving Bhandari Hosiery Exports Ltd and Tikani Exports Limited does not, in any way violate, over ride or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and this circular (SEBI/HO/CFD/DIL1/CIR/P/2020/249), including the following Regulations:

Sl.	Reference	Particulars
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements
2	Regulation 11 of LODR Regulations	Compliance with securities laws
Requirements of this circular		
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges
(b)	Para (I)(A)(2)	Conditions for schemes of arrangement involving unlisted entities
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting

Company Secretary

Daljeet Singh

Managing Director

Nitin Bhandari

Certified that the transactions / accounting treatment provided in the draft Scheme of Arrangement involving (Name of the entities) are incompliance with all the Accounting Standards applicable to a listed entity.

Chief Financial Officer

Manoj Kumar

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Managing Director

Nitin Bhandari

Date: 25/01/2021
Place: Ludhiana

Bhandari Hosiery Exports Ltd.

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R.O. : Bhandari House, Village Meharban, Rahon Road, LUDHIANA-141 007 (INDIA)
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E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com
(Corporate Identification No./CIN : L17115PB1993PLC013930)

REPORT OF THE COMMITTEE OF INDEPENDENT DIRECTORS OF BHANDARI HOSIERY EXPORTS LIMITED RECOMMENDING THE DRAFT SCHEME OF ARRANGEMENT AND MERGER OF TIKANI EXPORTS LIMITED WITH BHANDARI HOSIERY EXPORTS LIMITED IN ITS MEETING OF COMMITTEE OF INDEPENDENT DIRECTORS HELD ON 09TH DAY OF NOVEMBER, 2020 AT REGISTERED OFFICE OF THE COMPANY.

PRESENT:

Sr. No.	Name	Designation/Position	Mode of Presence Physical/Electronic
1	Sh. Surinder Kumar Kapoor	Chairperson of Meeting/Independent Director	Physically Present
2	Smt. Geetika Bhalla	Non Executive Independent Director/Member	Physically Present
3	Sh. Kunal Verma	Non Executive Independent Director/Member	Electronically Present

1. Background:

1.1 Bhandari Hosiery Exports Limited ("Company") is a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office Bhandari House, Village Meharban, Rahon Road, Ludhiana. The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited (together the "Stock Exchanges").

1.2 Tikani Exports Limited, Company (Transferor Company) is a public limited company incorporated under the Companies Act, 2013 having its registered office at KH400/413 Bhandari House, Village Meharban, Rahon Road Ludhiana 141007. The Transferor Company is not listed on any stock exchange in India or abroad.

1.3. A meeting of the Independent Directors of the Company was held on November 09, 2020 to consider and recommend to the Board the draft Scheme of Arrangement and Merger of Tikani Exports Limited with Bhandari Hosiery Exports Limited under provisions of Section 230 to 234of the Companies Act, 2013and other applicable provisions of the Companies Act, 2013 (the Scheme").

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

1.4 The recommendation of Committee of Independent Directors is made in compliance with clause No. 2(i) of Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249, dated December 22, 2020 dealing with Schemes of arrangement involving listed companies, issued by Securities and Exchange Board of India.

1.5 The following documents were placed for consideration of the Committee:

(a) Draft Scheme of Merger/ Arrangement

(b) Equity Share Valuation Report dated 26th October, 2020 issued by Mr. Anil Rustgi IBBI Registered Valuer having Registration No. IBBI/RV/05/2019/12313 and the Fairness opinion dated October 27, 2020 issued by Sobhagya Capital Options Ltd., Category I Merchant Bankers issued based on the said Valuation Report.

(c) Certificate issued by Krishan Goel and Associates, Chartered Accountants, Statutory Auditors of the Company, confirming that the accounting treatment contained in the Draft Scheme is in compliance with the applicable accounting standards specified by the Central Government under Section 133 of the Companies Act, 2013 pursuant to paragraph 5 of Annexure I of the SEBI Circular.

2. Proposed Scheme:

2.1 The Committee of Independent Directors noted that the salient features of the Scheme are as under.

a. There is no cash consideration involved. Upon the Scheme of Amalgamation becoming effective, based on the Valuation Report issued by independent IBBI registered Valuer and share exchange ratio recommended therein and endorsed by the Category I Merchant banker to be Fair all the equity shareholders of the Tikani Exports Limited (Transferor Company) will be allotted equity shares in Bhandari Hosiery Exports Limited (Transferee Company) in the ratio of 2.63 equity shares (having face value of Re. One each) in Bhandari Hosiery Exports Limited for one equity share (having face value of Rs. 10/- each) of Tikani Exports Limited Bhandari Hosiery Exports Limited.

b. "Appointed Date" means 1 April, 2021or such other date as may be determined by the Board of the Transferor Company and the Transferee Company or such other date as may be approved by the Hon'ble NCLT of Chandigarh (Chandigarh Bench).

c. "Effective date" means the last of the dates on which the certified copy of the order of the Hon'ble NCLT of Chandigarh is filed with the Registrar of companies of Chandigarh, by Transferor Company and Transferee Company. Any reference in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the schemes" shall mean and refer to the

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Effective Date.

3. Recommendation of the Committee of Independent Directors

The Committee of Independent Directors after due deliberations and consideration of all the terms of the Draft Scheme, the Share Valuation Report and the Fairness Opinion recommends the draft Scheme for favourable consideration by the Board of Directors of the Company.

Further the committee of Independent Directors also recommend that draft scheme of merger is not detrimental to the shareholders of the listed entity. The scheme has positive impact on the shareholders. As company will grow with better opportunities in larger market by cost cutting and better utilization of resources, shareholders will earn more. The scheme also ensures the stability in price of shares

For and on behalf of Committee of Independent Directors
Bhandari Hosiery Exports Ltd.

Sh. Surinder Kumar Kapoor
Chairman of Committee of Independent Directors

Date: 09/11/2020
Place: Ludhiana

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Bhandari Hosiery Exports Ltd.

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Annexure VIII

Brief particulars of the transferee and transferor companies:

Particulars	Transferee Company	Transferor Company
Name of the company	Bhandari Hosiery Exports Ltd	Tikani Exports Limited
Date of Incorporation & details of name changes, if any	25/11/1993	23/08/2019
Registered Office	Bhandari House, Village Meharban, Rahon Road, Ludhiana, Punjab-141007	KH 400/413 Bhandari House, Village Meharban, Rahon Road Ludhiana, Punjab-141007
Name of Exchanges where securities of the company are listed	1. BSE Limited 2. National Stock Exchange of India	Not listed
Nature of Business	Manufacturing and trading of knitted fabrics and garments	Manufacturing and trading of knitted fabrics and garments
Brief particulars of the scheme	• Merger of the business of Tikani Exports Limited (Transferor Company) into Bhandari Hosiery Exports Ltd. (Transferee Company) • Transfer of all assets and liabilities and employees of Tikani Exports Limited (Transferor Company) into Bhandari Hosiery Exports Ltd. (Transferee Company) • Upon the Scheme coming into effect and in consideration of the transfer and vesting of all the assets and liabilities of the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot Share(s) to the Shareholders of the Transferor Company, whose names appear in the Register of Members as on the Record Date, subject to inter-company investment cancellation as per Para 4.3.6 of the Scheme, in the following ratio: "The Transferee Company will issue 2.63 Equity Share of Rs. 1/= each, credited as fully paid up, for every 1 Equity Shares of Rs. 10/- each held in the Transferor Company"	

	• The Scheme would be subject to requisite approvals of shareholders/ creditors, BSE Limited (BSE), National Stock Exchange of India Limited (NSE), the National Company Law Tribunal ('NCLT') and various other concerned regulatory authorities. • The Scheme would become effective upon filing of the certified copies of the orders of National Company Law Tribunal sanctioning this Scheme with the jurisdictional Registrar of Companies.	
Rationale for the scheme	(i) Consolidation of the businesses presently being carried on by the Transferor Company and the Transferee Company, which would create greater synergies between the businesses of both the companies and would enable them to have access to better financial resources, as well as increase the managerial efficiencies and save on cost. (ii) Combined entity would be able to optimize the overall administration and effectively take care of the statutory compliances. (iii) Focused management and optimum utilization and reflection of the combined assets and resources of the Transferee Company and the Transferor Company. (iv) Long term and permanent benefits of share holders, creditors, employees of the transferor company and the transferee company, as it would result in consolidation and enhancement of shareholder value.	
Date of resolution passed by the Board of Director of the company approving the scheme	09.11.2020	09.11.2020
Relevant date for determining the price as per Para 8 of SEBI Circular dated March 10, 2017, If applicable.	09.11.2020	09.11.2020
Date of meeting of the Audit Committee in which the draft Scheme has been approved	09.11.2020	Not Applicable
Appointed Date	April1st, 2021	
Net Worth (Amt in Rs.)	(As on 30.09.2020)	
Pre Merger	Rs. 727,259,126.00	Rs. 234,526,141.00
Post Merger	Rs. 791,308,488.00	Company being merged in Transferee Company
Valuation by IBBI registered Valuer – Name of the valuer/valuer firm and Regn no.	Mr. Anil Rustgi Registered Valuer for Financial Assets Regn. No: IBBI/RV/05/2019/12313	

Nitin Bhandari

LUDHIANA

Fair value per shares/ Face Value	Rs. 2.96/ Face Value of Re.1 each				Rs. 7.79/ Face Value of Rs. 10 each,			
Exchange ratio (Also mention in words)	"The Transferee Company will issue 2.63 Equity Shares of Re. 1/- each, credited as fully paid up, for every 1 Equity Shares of Rs. 10/- each held in the Transferor Company"							
Name of Merchant Banker giving fairness opinion	SOBHAGYA CAPITAL OPTIONS LTD.							
Capital before the scheme (No. of equity shares as well as capital in rupees)	Authorized Capital – Rs.250,000,000 Issued, Subscribed and Paid up- Rs. 146,526,950 divided into 146,526,950 Equity Shares of Re. 1/- each, fully paid up				Authorized Capital – Rs.231,500,000 Issued, Subscribed and Paid up- Rs. 231,346,000 divided into 23,134,600 Equity Shares of Re. 10/- each, fully paid up			
No. of shares to be issued	"The Transferee Company will issue 2.63 Equity Shares of Re. 1 each, credited as fully paid up, for every 1 Equity Shares of Rs. 10/- each held in the Transferor Company"							
Cancellation of shares on account of cross holding, if any	N.A				N.A			
Capital after the scheme (No. of equity shares as well as capital in rupees)	Authorized Capital – Rs.250,000,000 Issued, Subscribed and Paid-up- Rs. 207,396,171 divided into 2017,396,171 Equity Shares of Re. 1/- each, fully paid up				N.A.			
Details of Shareholding of Unlisted company/ies involved:	Pre		Post		Pre		Post	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	36553132	24.95%	97368810	46.95%	2313 4600	100%	Company being merged in Transferee Company	
Public (Excluding QIBs)	109973818	75.05%	110027361	53.05%	--	--		
QIBs	--	--	--	--	--	--		
Non-promoter Non-Public	--	--	--	--	--	--		
Total	146596950	100%	207396171	100%	2313 4600	100%		

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

No of shareholders	15561	7
Name & PAN no. of the Promoter & Promoter group of Unlisted companies.	Mr. Nitin Bhandari (PAN : AFPPB0808R) Mrs. Nitika Bhandari (PAN : AFAPB9359Q) Mrs. Kusum Bhandari (PAN : ABHPB7524L) Mr. Naresh Bhandari (PAN : ACWPB4357K) Mrs. Mamta Bhandari (PAN : DBGPB7167H) Mr. Shiva Bhandari (PAN : DBGPB7163D) Mr. Ankit Bhandari (PAN : BPWPB8706E) Mr. Suresh K Bhandari (PAN : BCNPB7150G)	Mrs. Kusum Bhandari (PAN : ABHPB7524L) Mr. Nitin Bhandari (PAN : AFPPB0808R) Mr. Manoj Kumar (PAN : AMUPS1954C) Mr. Chhinder Kumar (PAN : AKNPK9011G) Mr. Sudhansu Kumar Nayak (PAN : AXDPN9011G) Mr. Naveen Kumar (PAN : BKSPK7820D) Mrs. Aneeta Dutt (PAN ABGPT6483R)
Name of the Board of Directors of Unlisted companies	Mr. Nitin Bhandari Mr. Vikas Nayyar Mr. Rajesh Kumar Mr. Surinder Kumar Kapoor Mrs. Geetika Bhalla Mr. Kunal Verma	Mrs. Kusum Bhandari Mr. Nitin Bhandari Mr. Parveen Malhotra Mr. Rajesh Kumar
Please specify relation among the companies involved in the scheme, if any	Two Promoters of the Transferee company (Bhandari Hosiery Exports Limited) are also promoters of the Transferor company (Tikani Exports Limited).	
Details regarding change in management control in listed or resulting company seeking listing if any	There is no change in management control in the listed company which is the Transferee Company.	

For Bhandari Hosiery Exports Ltd

Nitin Bhandari
Managing Director

Date: 25/01/2021
Place: Ludhiana

KRISHAN GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS

S.C.O. : 17-18-B, GURDWARA SHAHEEDAN
PHERUMAN MARKET, G.T. ROAD,
OPP. MANJU CINEMA, LUDHIANA - 141 003.
PHONE : 0161-2543069, 5029217
E-mail : krishangoelassociates@yahoo.in

To
The Board of Directors
Bhandari Hosiery Exports Limited
Bhandari House, Village Meharban,
Rahon Road,
Ludhiana-141007.

SCHEME OF MERGER -AUDITOR'S CERTIFICATE
NET WORTH PRE AND POST AMALGAMATION

1. At the request of Bhandari Hosiery Exports Limited ("Transferee Company"), we have examined the computation of pre and post merger net worth of the Company as at 30th September, 2020.

2. It has been explained to us that as per the attached copy of the draft Scheme of Merger of Tikani Exports Limited (Transferor Company) with Bhandari Hosiery Exports Limited (Transferee Company) and their respective shareholders and creditors, the Company proposes to merge the Transferor Company with itself, under section 230 to 232 of The Companies Act, 2013.The Appointed Date of Amalgamation shall be1st April 2021or such other date as may be modified by the NCLT (National Company Law tribunal) Bench, Chandigarh or any other competent authority.

3. The account balances (Equity Share Capital Reserves and Surplus) used in the computation of pre merger net worth of the Transferee Company as at September 30, 2020 has been traced from the half yearly audited balance sheet of the Transferee Company made available to us and the post merger net worth of the Transferee Company has been computed considering the accounting treatment contained in Clause 4.3 of the Scheme, which is subject to the approval of NCLT (National Company Law tribunal) Bench, Chandigarh. As represented to us, the Scheme is proposed to be filed with the NCLT (National Company Law tribunal) Bench, Chandigarh.

4. The accompanying figures of Net Worth are the responsibility of Company's management. Our responsibility is to verify the factual accuracy of the facts stated in the certificate. We conducted our examinations in accordance with the guidance notes on Audit reports and certificates for special purposes issued by the Institute of Chartered Accountants of India. Our scope of work did not involve performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.

5. Based on the procedures mentioned in paragraph 3 above and according to the information and explanation given to us and specific representation received from the management, we certify that the pre merger Net Worth and the post merger Net Worth of the Transferee Company as at September 30, 2020 computed in accordance with paragraph 3 above is as noted below:

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS FRN:00[illegible]

BHANDARI HOSIERY EXPORTS LUDHIANA

(Amt in Rs.)

Particulars	Pre- Amalgamation	Post Amalgamation
Equity Share Capital	14,65,26,950	20,73,96,171
Free Reserves	58,07,32,176	58,39,12,317
Total Net Worth	72,72,59,126	79,13,08,488

6. "Net Worth" means the sum total of the paid-up capital, free reserves after deducting the provisions or expenses as may be prescribed.

7. This certificate is intended solely for the use of the management of the Company for the purpose of submission to the National Stock Exchange of India Limited and BSE Limited, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Krishan Goel & Associates
Chartered Accountants
Firm Registration No.009607N

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS FRN 009607N

Manoj Jain
Partner
M.No:.091621
UDIN : 21091621AAAABT8949

Date: 15.12.2020
Place: Ludhiana

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Vipan Kumar Aggarwal & Co.
CHARTERED ACCOUNTANTS

To
The Board of Directors
Tikani Exports Limited
KH-200, Bhandari House, Village Meharban,
Rahon Road, Ludhiana-141007.

SCHEME OF MERGER -AUDITOR'S CERTIFICATE
NET WORTH PRE AND POST AMALGAMATION

1. At the request of Tikani Exports Limited("Transferor Company"), we have examined the computation of pre and post merger net worth of the Company as at 30th September, 2020.

2. It has been explained to us that as per the attached copy of the draft Scheme of Merger of Tikani Exports Limited (Transferor Company) with Bhandari Hosiery Exports Limited (Transferee Company) and their respective shareholders and creditors, the Company proposes to merge itself with the transferee company, under section 230 to 232 of The Companies Act, 2013.The Appointed Date of Amalgamation shall be on1stApril 2021or such other date as may be modified by the NCLT (National Company Law tribunal) Bench, Chandigarh or any other competent authority.

3. The account balances (Equity Share Capital Reserves and Surplus) used in the computation of pre merger net worth of the Transferor Company as at September 30, 2020 has been traced from the half yearly audited balance sheet of the Transferor Company made available to us and the post merger the transferor company being merged with the transferee company.

4. The accompanying figures of Net Worth are the responsibility of Company's management. Our responsibility is to verify the factual accuracy of the facts stated in the certificate. We conducted our examinations in accordance with the guidance notes on Audit reports and certificates for special purposes issued by the Institute of Chartered Accountants of India. Our scope of work did not involve us performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.

5. Based on the procedures mentioned in paragraph 3 above and according to the information and explanation given to us and specific representation received from the management, we certify that the pre merger Net Worth of the Transferor Company as at September 30, 2020 computed in accordance with paragraph 3 above is as noted below:

(Amt in Rs.)

Particulars	Pre- Amalgamation	Post Amalgamation
Equity Share Capital	23,13,46,000	NA as the Company stands merged with the transferee company.
Free Reserves	31,80,141	
Total Net Worth	**23,45,46,000**	

Address: SCO 15-16, 3rd Floor, Jandu Tower, G.T. Road, Ludhiana – 141003, Punjab
Contact: - (M) 98140-77789, 85569-02020 (O) 0161-4667789
Email – ca.vipanaggarwal@gmail.com, varun@cavarunaggarwal.in

BHANDARI HOSIERY EXPORTS LUDHIANA

6. "Net Worth" means the sum total of the paid-up capital, free reserves after deducting the provisions or expenses as may be prescribed.

7. This certificate is intended solely for the use of the management of the Company for the purpose of submission to the National Stock Exchange of India Limited and BSE Limited, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Vipan Kumar Aggarwal & Co.
Chartered Accountants
Firm Registration No.007245N

Date: 15/12/2020
Place: Ludhiana
UDIN: 21081198AAAAB1434

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN : 007245N

Vipan Kumar
Partner
M.No:.081198

MANDARI HOSIERY EXPORTS LTD. LUDHIANA

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Phones : +91-88720 16409, +91-88720 16410

E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com

(Corporate Identification No./CIN : L17115PB1993PLC013930)

ANNEXURE X

Details of Capital evolution of the transferee company

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
25.11.1993	700	10	Subscription to Memorandum of Association	700	Not (Company was unlisted public company)
27.01.1994	1285000	10	Allotment for consideration other than cash	1285700	Not (Company was unlisted public company)
17.12.1994	3270000	10	Further Public Offer	4555700	Not (company was unlisted public company)
12.10.2006	1400000	10	Preferential Issue	5955700	Listed
14.03.2008	1500000	10	Preferential Issue of Equity Shares on Conversion of Warrants	7455700	Listed
26.02.2011	2609495	10	Allotment of Bonus Shares	10065195	Listed
04.08.2012	4587500	10	Preferential Allotment	14652695	Listed

- Shareholders of Bhandari Hosiery Exports Limited approved the sub division of nominal value of shares of the company from Rs. 10/- (Rupees Ten only) each to Re. 1/- (Rupee One only) each by way of postal ballot as on 29.01.2016.

For Bhandari Hosiery Exports Ltd.

Nitin Bhandari
Managing Director

BHANDARI HOSIERY EXPORTS LUDHIANA

TIKANI EXPORTS LIMITED

Regd. Office : KH # 400/413, Bhandari House,
Village Meharban, Rahon Road, LUDHIANA-141007 (india)
Phones : +91-88720 16409, +91-88720 16410
E-mail : tikaniexport@gmail.com
CIN : U18202PB2019PLC049906)

ANNEXURE X

Details of Capital evolution of the transferor company

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
23.08.2019	23134600	10	Subscription to Memorandum of Association	23134600	Not (Company is Unlisted public company)

- Tikani Exports Limited Company formerly known as Bhandari Knit Exports a partnership firm. which converted into public limited company from partnership firm as on 23.08.2019.

For Tikani Exports Limited

Nitin Bhandari
Director

BHANDARI HOSIERY EXPORTS LUDHIANA

TIKANI EXPORTS LIMITED LUDHIANA

Bhandari Hosiery Exports Ltd.

Sustainable Innovation
Design • Fabric • Garments
(A GOVT. OF INDIA RECOGNISED EXPORT HOUSE)
R.O. : Bhandari House, Village Meharban, Rahon Road, LUDHIANA-141 007 (INDIA)
Phones : +91-88720 16409, +91-88720 16410
E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com
(Corporate Identification No./CIN : L17115PB1993PLC013930)

ANNEXURE XI

To,
Manager - Listing Compliance
BSE Ltd.
Ground Floor, Phiroze Jeejeebhoy Towers,
Mumbai, Maharashtra 400001

Dear Sir/Madam,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Merger of Tikani Exports Limited into Bhandari Hosiery Exports Ltd.

In connection with the above application, we hereby confirm that:

1. The proposed Scheme of Amalgamation/Arrangement/Merger etc. to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956/Companies Act, 2013, the rules, regulations and guidelines made under these Acts, the provisions as explained in Regulation 11 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and the requirements of SEBI circulars and Stock Exchanges.

2. The draft scheme of amalgamation/ arrangement together with all documents mentioned in SEBI circular has been disseminated on company's website as per the link given hereunder:
www.bhandariexport.com

3. The company shall obtain shareholders' approval by way of special resolution passed through postal ballot/ e-voting as mentioned in clause 3.4.4, page no. 17 of the draft scheme **(if applicable)**.

   Further, the company shall proceed with the draft scheme only if the vote cast by the public shareholders in favor of the proposal is more than the number of votes cast by public shareholders against it.

4. The company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.

BHANDARI HOSIERY EXPORTS LUDHIANA

5. In case of Unlisted company being involved in the Scheme of Arrangement:

a. The Company shall include the applicable information pertaining to the unlisted entity involved in the scheme in the format specified for abridged prospectus, certified by a SEBI Registered Merchant Banker, as provided in Part D of Schedule VIII of the ICDR Regulations, in the explanatory statement or notice or proposal accompanying resolution to be passed sent to the shareholders while seeking approval of the scheme and the same shall be submitted to Stock Exchanges.

b. The percentage of shareholding of pre-scheme public shareholders of the listed entity and the Qualified Institutional Buyers (QIBs) of the unlisted entity, in the post scheme shareholding pattern of the "merged" company shall not be less than25%.

6. The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.

7. There will be no alteration in the Share Capital of the unlisted transferor company from the one given in the draft Scheme of Amalgamation/Arrangement.

Date: 25/01/2021
Place: Ludhiana

Nitin Bhandari
(Managing Director)

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

KRISHAN GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS

S.C.O. : 17-18-B, GURDWARA SHAHEEDAN
PHERUMAN MARKET, G.T. ROAD,
OPP. MANJU CINEMA, LUDHIANA - 141 003.
PHONE : 0161-2543069, 5029217
E-mail : krishangoelassociates@yahoo.in

INDEPENDENT AUDITOR'S REPORT

The Members of

BHANDARI HOSIERY EXPORTS LIMITED
LUDHIANA.

Report on the Financial Statement

Opinion

We have audited the accompanying Ind AS financial statements of **BHANDARI HOSIERY EXPORTS LIMITED** ("the company"), which comprise the Balance Sheet for the period from 01.04.2020 to 30.09.2020, 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 explanation given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at 30.09.2020, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No.2.3(C) to the Ind AS financial statements, which describe the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. The actual results may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS LUDHIANA

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's information, but does not include the Ind AS financial statements and our Auditor's Report thereon. Our opinion on Ind AS financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

Management's Responsibility for the Financial Statement

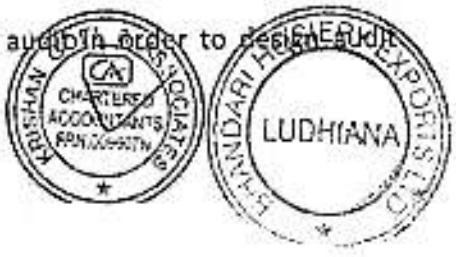
The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities 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 control relevant to the audit in order to design audit



procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 the Companies (Auditor's Report) Order, 2016 ('the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS FRN 009807N

CHANDARI HOSIERY EXPORTS LTD. LUDHIANA

(c) the Balance Sheet, Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts;

(d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) on the basis of written representation received from the directors as on 30.09.2020 taken on record by the Board of Directors, none of the directors is disqualified as on 30.09.2020, 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report.

(g) In our opinion the managerial remuneration for the year ended 30.09.2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

(h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us: -

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements, if any.

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, if any, to the Investor Education and Protection Fund by the Company.

For KRISHAN GOEL & ASSOCIATES

CHARTERED ACCOUNTANTS

KRISHAN GOEL & ASSOCIATES CA CHARTERED ACCOUNTANTS

(MANOJ JAIN)

PARTNER

M.NO.091621

UDIN: 21091621AAAAAX4696

PLACE: LUDHIANA

DATE: 14.12.2020

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

The Annexure 1 of the Independent Auditor's Report of even date on the financial statements of BHANDARI HOSIERY EXPORTS LIMITED

Report on the Companies (Auditor's Report) Order, 2016 ('the Order') under sub- section (11) of section 143 of the Act

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

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   (b) The Company has a regular programme of physical verification of the fixed assets at reasonable intervals. In accordance with this programme, certain fixed assets were verified during the year, and, no material discrepancies were noticed on such verification.
   (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

2. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly the provisions of clause 3 (iii) (a) (b) (c) of the Order are not applicable to the Company and hence not commented upon.

4. According to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provision under Section 185 and 186 of the Companies Act, 2013. Therefore, the provision of clause 3(iv) is not applicable to the Company.

5. The Company has not accepted any deposits from the public. Therefore, the provisions of Clause 3(v) of the order is not applicable to the Company.

6. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of products, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, customs duty, cess, Goods and Service Tax and other statutory dues with the appropriate authorities.
   (b) According to the information and explanations given to us and the records of the Company examined by us, there are no undisputed amounts outstanding of provident fund, employees state insurance, income-tax, cess, customs duty, Goods and Service Tax.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The company has raised loans from the banks. The Company has not taken any loan either from financial institution or from the government.

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

9. According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including Debt instruments). Accordingly the provision of clause 3(ix) of the Order are not applicable to the Company. The company has raised term loans from banks for installation of the machinery.
10. Based on the audit procedure performed for purpose of reporting the true and fair view of the Ind AS financial statement and according to the information and explanation given by the management, we report that no fraud by the Company, or no material fraud on the company by officers and employees of the company has been noticed or reported during the year.
11. According to the information and explanation given by the management, the managerial remuneration has been paid / provided in accordance with the recognist appraisal mandated by the provisions of the section 197 read with Schedule V of the Companies Act, 2013.
12. In our opinion, and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provision of clause 3(xii) is not applicable to the Company.
13. According to the information and explanation given by the management, the Company's transactions with its related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and, the details have been disclosed in the Notes to Financial Statements, as required by the applicable accounting standards.
14. According to the information and explanation given to us, and on an overall examination of balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or party convertible debentures during the year under review and hence reporting requirement under clause 3(xiv) are not applicable to the company and hence no commented upon.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors, or, persons connected with him as referred to in section 192 of the Companies Act, 2013.
16. According to the information and explanations given to us, the provision of the section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS

(MANOJ JAIN)

PARTNER

M.NO.091621

UDIN: 21091621AAAAAX4696

PLACE: LUDHIANA

DATE: 14.12.2020

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS

KHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Annexure – 2 to the Auditor's Report

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

We have audited the internal financial controls over financial reporting of BHANDARI HOSIERY EXPORTS LIMITED ("the Company") as of 30.09.2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS FRN 009607N

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Control 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 30.09.2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory Paragraph

We also have audited, in accordance with the Indian Accounting Standards issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act, the financial statements of Company which comprise in the Balance Sheet as at 30.09.2020, and the related statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated 30.09.2020 expressed an unqualified opinion thereon.

For KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS

KRISHAN GOEL & ASSOCIATES CA CHARTERED ACCOUNTANTS FRN 009602N

(MANOJ JAIN)

PARTNER

M.NO.091621

UDIN: 21091621AAAAAX4696

PLACE: LUDHIANA

DATE: 14.12.2020

BHANDARI HOSIERY EXPORTS LUDHIANA

BHANDARI HOSIERY EXPORTS LTD.
Vill. Mcharban, Rahon Road,
Ludhiana

STATEMENT OF ASSETS AND LIABILITIES AS ON 30.09.2020

Particulars	Note	Current Period 30.09.2020	Previous Year ending 31.03.2020
ASSETS			
Non Current Assets			
Fixed Assets			
a .Property, Plant & Equipments	3	639,320,747	652,513,900
b. Capital Work In Progress		547,200	547,200
c. Intangible Assets		124,987	124,987
d. Financial Assets			
i. Investments			-
ii. Loans			-
iii. Other Financial Assets			-
e. Other Non Current Assets			-
f. Deffered Tax Assets			-
Total Non Current Assets		639,992,934	653,186,087
Current Assets			
a. Inventories	4	733,816,222	722,236,222
b. Financial Assets			
i. Investments			
ii. Trade Receivables	5	540,811,699	533,184,555
iii. Cash & Cash Equivalents	6	18,012,416	9,597,554
iv. Bank Balances other than iii above			
v. Loans & Advances	7	6,462,768	3,704,794
vi Other Financial Assets			
c. Other Assets	8	145,047,228	129,433,925
Total Current Assets		1,444,150,332	1,398,157,050
TOTAL ASSETS		2,084,143,266	2,051,343,136
EQUITY & LIABILITIES			
EQUITY			
Equity Share Capital	9	146,526,950	146,526,950
Other Equity	10	580,732,176	592,555,675
Total Equity		727,259,126	739,082,625
I LIABILITIES			
Non Current Liabilities			
a. Financial Liabilities			
i. Borrowings	11A	399,222,724	343,006,694
ii. Other Financall liabilities			
b. Provisions			
c. Deferred Tax Liability	12	37,569,391	37,569,391
d. Other Non Current Liabilities			
Total Non Current Liabilities		436,792,115	380,576,085
II Current Liabilities			
a. Financial Liabilities			
i. Borrowings	11B	750,679,915	706,509,720
ii. Trade payables	13	98,559,862	109,961,634
iii. Other Financal Liabilities			
b. Other Current Liabilities	14	69,528,963	104,589,788
c. Provisions	15	3,123,285	10,623,285
d. Current tax liabilities/net			
		920,092,025	931,684,427
TOTAL		2,084,143,266	2,051,343,137
		0	0

The accompanying Notes referred to above form an integral part of the Financial statements
As per our separate report of even date
For Krishan Goel & Associates
FRN : 009607N
Chartered Accountants

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS FRN.009607N

(Manoj Jain)
Partner : M NO :091621
Place : Ludhiana
Date : 14-12-2020

Manoj Kumar
CFO

C.Secretary

(Nitin Bhandari)
Mg.Director
DIN : 01385065

UDIN: 21091621AAAAAX4696

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

BHANDARI HOSIERY EXPORTS LTD.
Vill. Meharban, Rahon Road,
Ludhiana
Profit & Loss Account for the year ended

	Particulars	NOTE	Current Period 30.09.2020	Previous Year ending 31.03.2020
I	Revenue			
	Revenue from operation	16	798,596,241	2,774,301,559
II	Other Income	17	217,672	1,049,178
III	Total Revenue		798,813,912	2,775,350,737
IV	Expenses			
	Cost of Material Consumed	18	631,917,427	2,205,336,791
	Changes in inventory of finished goods , work in process stock in trade	19	(10,580,000)	(21,892,901)
	Employees benefit expense	20	36,809,669	101,908,106
	Finance cost	21	47,681,418	102,261,353
	Other Expenses	22	80,332,838	274,972,540
	Depreciation expense	3	24,476,060	50,144,440
	TOTAL		810,637,412	2,712,732,328
V	Profit before exceptional and extraordinary Item & tax (III-IV)	loss	(11,823,499)	62,618,409
V			(0)	
VI	Exceptional items			
VII	Profit before extraordinary item (V-VI)		(11,823,499)	62,618,409
VIII	Extraordinary Items			
IX	Profit beforetax (VII-VIII)			
X	TAX EXPENSES			
	Current Income Tax/MAT		-	7,500,000
	Deferred Tax		-	2,000,000
	Wealth Tax			
	Excess(short) Provisions Income tax of earlier years			
XI	Profit/(Loss) for the period from continuing operations (IX-X)		(11,823,499)	53,118,409
			(0)	1.91%
XII	Profit/(Loss) for the period from discontinuing operations (IX-X)		NIL	NIL
XIII	Surplus carried over to Balance Sheet		(11,823,499)	53,118,409
XIV	Net Profit available for Equity Shareholders		(11,823,499)	53,118,409
	Number of equity shares		146,526,950	146,526,950
XV	Basic Earning per Share of Rs. 1/- each		(0)	0.36
	Diluted Earning per Share of Rs. 1/- each		(0)	0.36

The accompanying Notes referred to above form an integral part of the Financial statoments
As per our separate report of even date

For Krishan Goel & Associates
FRN : 009607N
Chartered Accountants

(Manoj Jain)
Partner : M NO : 091621

Manoj Kumar
C. F. O.

C.Secretary

(Nitin Bhandari)
Mg.Director
DIN : 01335065

Place : Ludhiana
Date : 14.12.2020

UDIN:21091621AAAAAX4696

BHANDARI HOSIERY EXPORTS LTD.

CASH FLOW STATEMENT

CASH FLOW FROM OPERATING ACTIVITIES	Current Period 30.09.2020	Previous Year ending 31.03.2020
Net profit before tax and extraordinary items	(11,823,499)	62,618,409
Adjustments for		
Depreciation after written back	24,476,060	50,144,440
Less : Interest received	(217,672)	(1,049,178)
Interest & financial expenses	47,681,418	102,261,353
Adjustments against Reserve & surplus	-	-
Operating profit before working capital changes	60,116,307	213,975,024
Adjustment for :		
Decrease / Increase (-) in debtors & receivables	(25,998,421)	(109,284,383)
Decrease / Increase (-) in inventories	(11,580,000)	(33,083,359)
Increase / Decrease (-) in terde payables	(55,962,597)	17,582,834
Cash Generated from operations	(33,424,710)	89,210,116
Less Interest paid	47,681,418	102,261,353
Less Direct tax paid	-	7,500,000
Cash flow before extraordinary items	(81,106,128)	(20,551,236)
Extra ordinary items(Provision for Dividend)/(CFF	-	1,768,295
Net cash from trading activities	(81,106,128)	(22,319,531)
CASH FROM INVESTING ACTIVITIES		
Issue of fresh capital	-	-
Share premium on fresh capital	-	-
Purchase of fixed assets	(11,282,907)	(176,676,226)
Depreciation Written Back		(1,522,626)
Sale of fixed assets	-	10,851,594
Interest received	217,672	1,049,178
Realisation from investments	-	-
Net cash from investing activities	(11,065,236)	(166,298,280)
CASH FROM FIANANCING ACTIVITIES		
Increase in bank borrowing	100,586,225	182,926,459
Repayment of short term borrowing	-	-
Repayment of unsecured loans if any	-	-
Net cash from financing activities	100,586,225	182,926,459
Net increase or decrease in cash & cash equivalent	8,414,861	(5,691,352)
Cash & Cash equivalents (Opening Balance)	9,597,554	15,288,906
Cash & Cash equivalents (Closing Balance)	18,012,415	9,597,554

For Krishan Goel & Associates
FRN : 009607N
Chartered Accountants

(Manoj Jain)
Partner : M NO :091621
Date:
Place : Ludhiana

Manoj Kumar
C. F. O.

(Nitin Bhandari)
Mg.Director
DIN : 01385065

C.Secratery

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTERBER 2020.

NOTE1- CORPORATE INFORMATION

Bhandari Hosiery Exports Limited is a public limited Company incorporated under the provisions of Companies Act, 1956. The Company's CIN is L17115PB1993PLC013930 and the Company's Registered Office is situated in Punjab at Bhandari House, Village Meharban, Rahon Road, Ludhiana. The Company is listed at BSE Limited (BSE) and NSE.The Company does not have any subsidiary Company. The Company is into Textiles and is a garment manufacturing company having vertical production facility to produce High Fashion Knitted Garments. With more than 20 years experience and state of that art manufacturing facilities, Bhandari Hosiery manufactures garments of leading international and oversees brands and some oversees retail chainsin the international market. we have a presence in around many countries including quality conscious markets like USA, European Union etc.

The company is engaged in fabrics and in the manufacture and export of knitted hosiery garments such as T- Shirts, Pullovers, Sweat Shirts, Bermudas, Polo Shirts, Track Suits, Pajamas, Lowers, Ladies Knitted Tops with embroidery and prints etc. and manufacture, processing and trading of dyed and non-dyed fabrics at domestic and international levels. The Company confirms to International standards in Human Recourses Practices and adopt Eco-friendly standards in production.

NOTE 2-ACCOUNTING POLICIES

2.1 ACCOUNTING POLICIES

(a) **Basis of Accounting:**
The accounts of the Company are prepared on accrual basis under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013.

(b) **Basis of Preparation of Financial Statements:**
The financial statements of the company have been prepared in accordance with the Indian Accounting Standards in India (Ind AS). The Company has prepared these financial statements to comply in all material respects with the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The company has reclassified the previous year figures in accordance with the requirements applicable in the current year wherever required.

(c) **Use of Estimates**
The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management s evaluation of the relevant facts and circumstances as on the date of financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

(d) **Revenue Recognition:**

(i) Sale is recognized on dispatch of goods and returns if any made by the parties.

(ii) Claims and Benefits: Insurance and other claims are accounted for to the extent realized, as the ultimate collection thereof is uncertain at the time of raising the claim.

(iii) Opening Stock, Purchases, Sales and Closing stock are stated at net value excluding VAT. Any amount payable/ receivable towards VAT is shown in the Balance Sheet under the head Current Liabilities/ Current Assets.

(e) **Retirement Benefits:**

a.	Short term benefits	Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.
b.	Long term post retirement	Post retirement benefits comprise of Provident fund and gratuity which are accounted for as follows:
I	Provident fund	This is a defined contribution plan, and contributions made to the fund are charged to revenue. The company has no further obligation for future provident fund benefits other than monthly contribution.

RISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS FRN 009207N

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

ii	Gratuity fund	This is a defined benefit plan. The liability of the company is determined based on the actuarial valuation using projected unit credit method. Actuarial gains and losses are recognized in full in the Statement of profit and loss for the period in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as per Actuarial Valuation.
iii	Leave with wages	Provisions for leave with wages are made on the basis of leave accrued to the employee during the year.

(f) **Property, Plant & Equipments:**
Property, plant and equipment are stated at cost, less accumulated depreciation. The Cost of an item of Property, Plant and Equipment comprises:
(a)its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates.
(b) any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and
(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation is provided on Straight Line Method on the basis of useful lives of such assets specified in Schedule II to the Companies Act, 2013 except the assets costing Rs. 5000/- or below on which depreciation is charged @ 100% per annum on proportionate basis.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

(g) **Depreciation:**
Depreciation is provided on Straight Line Method on the basis of useful lives of such assets as specified in Schedule II of Companies Act, 2013.

(h) **Inventories:**

Stores and spares and raw material are valued at Cost. Semi Finished Goods are valued at cost of materials and labour together with relevant factory overheads or net realizable value, whichever, is less. Finished goods are valued at cost or net realizable value, whichever is less. Cost includes materials, direct labour and allocable overheads.

(i) **Borrowing Cost:**
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

(j) **Foreign Currency Conversion/Translation**

(i) The export sales are converted at the exchange rates prevailing on the date of custom clearance of export bills. The fluctuations in the exchange rates are accounted for as and when the payment is received and the amount is credited/ debited to the respective Sale Account.

(ii) In respect of export bills remaining unrealized at the year end against which the payments received in the subsequent years the difference arising thereon is recognized as difference in exchange rates under the head misc. income/expenses.

The total sales are inclusive of export incentives and rebate & discounts received and Rebate of Rs0/- (as on 31.03.2020) has been shown separately under Other Expenses in Statement of Profit and Loss.

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BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

2.2 Contingent Liabilities not provided for (Rs. in Lacs)

Sr. No.	Particulars	As at 30.09.2020	As at 31.03.2020
(a)	Letter of Credit outstanding	0.00	0.00
(b)	Bank Guarantee Outstanding	0.00	1.00
(c)	Bill discounting with bank against irrevocable Foreign Letter of Credit	0.00	0.00

2.3 (a) Sales tax/ VAT liability has been provided for as per the return filed. According to our view there is no other liability in addition to the liability provided but in case any additional liability arises at the time of assessment, the same shall be provided at that time.

(b) Provision for Income Tax has been made in the Statement of Profit & Loss on the basis of actual tax liability under MAT as per the Income Tax Act, 1961.

(c)The Spread of COVID 19 has effected the business operations post the national lockdown which was imposed w.e.f.22.03.2020. Post lifting of lockdown the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position based on the internal and external sources of information and application of reasonable estimates. The Company has also performed sensitivity analysis on the assumption used and does not see any significant incremental risk to the recoverability of its assets. In pursuance to the relaxed guidelines the Company has now resumed its operations. Since the situation is continuously evolving the impact assessed in the future may be different from the estimates made as at the date of approval of these financial results. Management will continue to monitor any material change arising due to impact of the pandemic on finance and operational performance of the Company and take necessary actions to address the situations.

2.4 Legal cases by and against Company

There are no legal cases pending or initiated against the Company. Following cases were filed by the Company against some parties and are pending:

S.NO.	NAME OF COMPLAINT	COURT	NATURE OF PROCEEDINGS	STATUS
1.	BHANDARI HOSIERY V/s Sharda Logistics	Deepali Gupta(JMIC)	U/S 138 of N.I.A	P.O. declared
2.	BHANDARI HOSIERY V/s Avtar Singh	VipindeepKaur(JMIC)	U/S 138 of N.I.A	P.O. declared
3.	BHANDARI HOSIERY V/s SRS Exports	YuktiGoel(JMIC)	U/S 138 of N.I.A	P.O. declared
4.	BHANDARI HOSIERY V/s Ambika Traders	Tarunesh Kumar (JMIC)	U/S 138 of N.I.A	For Arguments
5.	BHANDARI HOSIERY V/s Raj Kumar	Deepali Gupta(JMIC)	U/S 138 of N.I.A	P.O. declared
6.	BHANDARI HOSIERY V/s Sunil Kumar	Balwant Singh(JMIC)	U/S 138 of N.I.A	P.O. declared
7.	BHANDARI HOSIERY VS. UNICORN CORPORATION	Rahul Kumar(JMIC)	U/S 138 of N.I.A	P.O. declared
8.	BHANDARI HOSIERY VS. MARVEL DYERS	-	U/S 138 of N.I.A	For Arguments
9.	BHANDARI HOSIERY VS NAB PRODUCTIONS INDIA P LTD	ShDevnoor Singh(JMIC)	U/S 138 of N.I.A	For Evidence
10.	Bhandari Hosiery Exports Ltd vs Samar Gulati	Ludhiana District Court	U/S 138 of N.I.A	Summoned
11.	CHD Chemicals Vs Bhandari Hosiery Exports Limited	Chandigarh District Court	Arbitration	Notice & Record
12.	Marvel Dyers and Processors Vs Bhandari Hosiery Exports Limited	High Court Punjab and Herayana	Civil Revision Suit	Consideration
13.	Bhandari Hosiery Exports Limited VS. Kanti Gupta	High Court Punjab and Haryana	CIVIL RSA	Consideration

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BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

2.5 Interest on FDRs is accounted for on accrual basis and the same has been accounted for thereunder the head other Income. Other Income also includes Rent Received.

2.6 **Impairment of Assets:** An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. Impairment losses, if any, are recognized in accordance with the Accounting Standard 28 issued in this regard by The Institute of Chartered Accountants of India.

No material Impairment of Assets has been identified by the Company and as such no provision is required as per Indian Accounting Standards issued by the Institute of Chartered Accountants of India.

2.7 Party's balances (under Debtors, Creditors and Advances) as at the year end are subject to confirmation.However Company has a perpetual system of reconciling the accounts with its suppliers & customers during the year.

2.8 In the opinion of the Board, current assets, loans and advances have a value in the ordinary course of business at least equal to that stated in the Balance Sheet.

2.9 **Segment Reporting**

The Company is mainly engaged in the business of manufacturing of textiles consisting of fabric and garments. Considering the nature of the business and financial reporting of the company, the company has only one segment viz textiles as reportable segment. The company operates in domestic and export segment geographically.The sale for both is separately given.But due to the nature of business the assets/liabilities and expenses for these activities cannot be bifurcated separately. Domestic Sales consists sales made in different parts of India. Export Sales consist exports made to Germany, USA, U.K., Dubai and other countries of European Union (EU). The Export sales and Domestic sales are as under:

Particulars	01.04.2020-30.09.2020 (Rs.)	2019-20 (Rs)
Export sales	5,50,35,178	13,77,91,120
Domestic sales	74,35,61,063	2,63,65,10,439
Total	79,85,96,241	2,77,43,01,559

2.10 **Investments**

Particulars	01.04.2020-30.09.2020 (Rs.)	2019-20 (Rs)
Investment in shares , etc.	Nil	Nil

2.11 **Deferred Tax Liability**

As per requirements of the Indian Accounting standard, the company has created deferred tax liability for the half year of Rs.0/- (previous year 20,00,000/-) which consists of the following:

(Amounts in Rs.)

PARTICULARS	At the beginning of the Year	Charged during the half year	At the close of Half year
Timing Difference on account of			
-Depreciation	37,569,391	0	37,569,391
-Others	0	0	0
-Net Deferred Tax Liability	37,569,391	0	37,569,391

2.12 **Micro, Small and Medium Industries:-**

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under :

(the credit period with MSME supplier are mutually agreed upon)

(Amounts in lacsRs.)

	01.04.2020-30.09.2020
Principal amount remaining unpaid to any supplier as at the end of accounting year	0.00
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-
The amount of interest paid along with amt. of the payment made to the supplier beyond appointed day	-

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS FRN 009607N

SHANDARI HOSIERY EXPORTS LUDHIANA

The amount of interest due and payable for the year	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-
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	-

2.13 Related Party Disclosure

Detail of disclosures as required by Indian Accounting Standard on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are as under: -

A. Related parties with whom transactions have taken place during the year 2019-20.

a. Key Managerial Personnel:
1. ShriNitinBhandari, Mg. Director
2. ShriManoj Kumar, CFO
3.ShriArpit Jain Company

b. Relatives of Key Managerial Personnel
1. ShriNareshBhandari (Father of ShriNitinBhandari, Mg. Director)
2. Ms. KusumBhandari (Mother of ShriNitinBhandari, Mg. Director)
3. Ms. AditiBhandari (Wife of ShriNitinBhandari, Mg. Director)
4.Ms. NitikaBhandari (Sister ofShriNitinBhandari , Mg. Director)

Nature of Transactions	Total Amount (in Rs.) For half year ended as on 30.09.2020	Total Amount (in Rs.) 2019-20
Remuneration / Salary paid to Key Managerial Personnel	11,98,043	42,04,333
Remuneration / Salary paid to Relatives of Key Managerial Personnel being employees	9,73,941	25,28,000

B. Enterprise owned or significantly influenced by key management personnel or their relatives:

1. Bhandari Knit Exports
2. Miracle Clothing Company
3.TBD Trading Company
4. Life Style Garments
5. Amaira Textiles Mills Plc

Transactions with Related Parties:

Nature of Transactions	Key Management Personnel having relation with Related Party	Enterprises over which KMP is able to exercise significant influence	Total (Amt. in Rs.) Half year ended as on 30.09.2020	Total (Amt. in Rs.) 2019-20
(1)	(2)	(3)	(4)	(5)
Purchase of goods/Job Work	Nitin Bhandari and his Relatives	M/s Tikani Exports Limited	0	46,781,042
Purchase of goods/Job Work	Nitin Bhandari and his Relatives	Miracle Clothing Company	106,17,675	30,603,590
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	M/s Tikani Exports Limited	0	78,235,608
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	Miracle Clothing Company	622,32,854	7,552,204
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	TBD Trading Company	0	0
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	Amaira Textiles Mills Plc	0	28,08,300
Closing bal of Loan from Mr. Nitin Bhandari, Mg. Director	Nitin Bhandari and his Relatives	Sr. 1 to 4 at point B above	0	90,900,000
Other Expenses	Nitin Bhandari and his Relatives	M/s Tikani Exports Limited	3,37,590	0





Others- Subsidiary Company/ Holding Company/ joint Ventures- NIL/Not Applicable.

All the transactions with related parties have been made in ordinary course of business and at arm s length basis.

2.15 Leases

There are no such rental/ lease agreements entered into by the Company which require disclosure under IndAS-116

2.16 Additional Information

			30.09.2020 (RS.)	31.03.2020 (RS.)
a	**Value of Imports Calculated on C.I.F. Basis**			
(i)	Raw Material		Nil	Nil
(ii)	Stores, Spares, Needles, Labels, Packing Material, Leather goods etc.		1138699.87	25,96,215
(ii)	Capital goods			8,74,29,786
b	**Expenditure in Foreign Currency**			
(a)	Travelling and Conveyance		1,54,599	55,25,703
(b)	Quality claim, rebate & discount etc.		0.00	4,795
c	**Foreign Exchange Earnings**			
(a)	FOB Value of Exports		54729883.00	13,43,89,806
d	**The Value of Consumption of Raw Materials and Stores**			

Particulars		Year ended	Raw Material	%	Stores	%
a)	Imported	30th September 2020	NIL	NIL	1138899.87	
b)	Indigenous	2020	631,917,427	100	5003237.24	
c)	Imported	31st March 2020	NIL	NIL	2,596,215	11.62
d)	Indigenous	2020	2,205,338,791	100	19,764,568	88.38

2.17 Previous year's figures have been recast/ regrouped wherever necessary to make them comparable with the current year's figures.

2.18 Note 1 to 23 form an integral part of the financial statement.

For KRISHAN GOEL & ASSOCIATES.
FRN : 009607N
Chartered Accountants

(Manoj Jain)
Partner
Membership No. 091621
Place : Ludhiana
Date : 31.08.2020

For and on behalf of the Board of Directors of
BHANDARI HOSIERY EXPORTS LIMITED

(Mano) Kumar)
Chief Financial Officer

Company Secretary

(Nitin Bhandari)
Mg. Director
DIN : 01335065

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

BHANDARI HOSIERY EXPORTS LTD.

NOTE -3- Property , Plant & Investments for the year ending — Current Period 30.09.2020

PARTICULARS	GROSS BLOCK as at 01.04.2019	ADDITIONS DURING THE YEAR	SALE / TRANSFER DURING THE YEAR	GROSS BLOCK AT	DEPRICIATION UP TO 01.04.2020	DEPRICIATION Reversed	DEPRICIATION FOR THE YEAR	DEPRICIATION UPTO	NET BLOCK AS AT Current Period 30.09.2020	NET BLOCK AS AT 31.03.2020
FREE HOLD LAND	3,732,500	-	-	3,732,500	-	-	-	-	3,732,500	3,732,500
BUILDING & SITE DEVLO	169,322,925	-	-	169,322,925	52,298,092	-	2,663,768	54,961,860	114,341,065	117,024,833
TEMPORARY FITTING	916,131	-		916,131	916,131		-	916,131	0	-
PLANT & MACHINERY	709,091,744	11,282,905	-	720,374,649	193,470,495	-	19,851,977	213,322,472	507,052,179	515,621,249
FURNITURE & FIXTURE	7,055,822	-		7,055,822	7,045,788		10,034	7,055,822	0	10,034
OFFICE EQUIPMENT	2,454,637	-		2,454,637	2,206,253	-	73,204	2,279,457	175,180	248,384
ELECTRIC FITTING & EQUIPMENT	17,772,575	-		17,772,675	15,593,220	-	634,819	16,228,039	1,544,536	2,179,355
CAR	23,323,596	-		23,323,596	9,909,499		1,107,871	11,017,370	12,306,226	13,414,097
VEHICLES	2,415,514	-		2,415,514	2,132,066	-	114,387	2,246,453	169,061	283,448
TOTAL	936,086,444	11,282,905	-	947,368,349	283,571,544	-	24,476,060	308,047,604	639,320,747	652,513,900
CAPITAL WORK IN PRO	-	-	-	-	-		-		0	-
WIP CETP DEPOSIT	547,200	-	-	547,200	-				547,200	547,200
INTEGIBLE ASSETS	220,958	-	-	220,958	95,971	-	-	95,971	124,987	124,987
TOTAL	936,853,602	11,282,905	-	948,136,507	283,667,515	-	24,476,060	308,143,575	639,992,934	653,186,087
Previous year 31.03.19	771,028,962	176,676,234	10,851,594	936,853,602	235,045,901	1,522,826	50,144,440	283,667,515	653,186,087	535,983,061

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

KRISHAN GOEL & ASSOCIATES CA CHARTERED ACCOUNTANTS FRN:009307N

NOTE 4- INVENTORIES	Current Period 30.09.2020	Previous Year ending 31.03.2020
(Valued at Cost or net realisable value, whichever is lower as certified by the Management of the Company)		
Stores and Spares (at cost)	26,087,722	26,087,722
Raw Materials (at cost+expenses)	199,350,000	198,350,000
Finished Goods & wastage (at cost or Realisable value which ever is less)	257,403,500	244,823,500
Work-in-Progress (at estimated cost)	250,975,000	252,975,000
	733,816,222	722,236,222

Inventories: Method of Valuation

i Stores and Spares and raw material are valued at Cost.

ii Semi Finished Goods are Valued at cost of materials and labour together with relevant factory overheads or net realizable value, whichever, is less.

iii Finished goods are valued at cost or net realizable value, whichever is less. Cost includes materials, direct labour and allocable overheads.

NOTE 5- TRADE RECEIVABLES	Current Period 30.09.2020	Current Year ending 31.03.2020
a) Debts out standing for a period exceeding six month from the date they are due for payment		
(Unsecured,Considered Goods unless otherwise stated)		
Domestic	14,560,620	17,820,628
Foreign	1,250,250	2,130,529
	15,810,870	19,951,157
b) Others		
Domestic	496,966,135	504,342,566
Bad Debts (doubtful of recovery)	6,194,509	2,614,293
Foreign	21,820,183	6,276,538
	525,000,826	513,233,398
Less Provison for bad & doubtful debts	-	-
Less Negotiated from Bank	-	-
	540,811,696	533,184,555

NOTE 6- CASH & BANK BALANCES	Current Period 30.09.2020	Current Year ending 31.03.2020
Cash and cash equivalent		
Cash in hand	5,272,409	47,163
Cheque deposited but not clear (Net)	4,758,840	297,800
Balance with scheduled bank in current accounts	5,294,678	637,059
Bank Deposit with original Maturity of more than 3 month and up to 12 months	2,686,289	8,615,532
Balance at sales points		-
	18,012,416	9,597,554

NOTE 7- LOANS & ADVANCES	Current Period 30.09.2020	Current Year ending 31.03.2020
Loans and Advances		
(Unsecured, Considered Good unless otherwise stated)		
a) Advances recoverable in cash or kind or value to be received	3,338,915	580,941
b) Securities and Deposits	3,123,853	3,123,853
TOTAL	6,462,768	3,704,794

NOTE 8- OTHER CURRENT ASSETS	Current Period 30.09.2020	Current Year ending 31.03.2020
Refunds Receivable(VAT, GST, IGST,TUFF, MAT etc)	39,910,607.67	36,601,922
Export Incentive Receivables	1,261,714.00	1,440,350
Advances recoverable in cash or kind	7,663,158.00	9,421,600
Advances to suppliers for capital goods		19,095,477
Advances to suppliers of raw material and stores	95,152,442.72	61,547,706
Pre paid exp.	1,059,305.00	1,126,891
TOTAL	145,047,227	129,433,925





NOTE 9- SHARE CAPITAL	Current Period 30.09.2020	Current Year ending 31.03.2020
Authorised Capital		
25,00,00,000 equity shares of Rs. 1/- each	250,000,000	250,000,000
(Previous Year 25000000 equity shares of Rs. 1/- each)		
Issued Share Capital		
14,65,26,950 equity shares of Rs. 1/- each (fully paid up)	146,526,950	146,526,950
(Previous Year 14652695 equity shares of Rs. 1/- each fully paid up)		
Subscribed & Paid up Capital		
14,65,26,950 equity shares of Rs. 1/- each (fully paid up)	146,526,950	146,526,950
(Previous Year 14652695 equity shares of Rs. 1/- each fully paid up)		
TOTAL	146,526,950	146,526,950

NOTE 10- RESERVE & SURPLUS	Current Period 30.09.2020	Current Year ending 31.03.2020
Share Premium Reserves		
Opening balance	155,975,000	155,975,000
Addition during the year	-	-
Balance	155,975,000	155,975,000
General Reserve		
Opening Balance	28,805,050	28,805,050
Balance carried forward	28,805,050	28,805,050
Profit & Loss Account		
Balance brought forward from previous year	407,775,625	356,425,511
Add : Net Profit for the Current Year	(11,923,499)	53,118,409
Less : Dividend Paid on Equity Shares	-	(1,470,000)
Less : Earlier years amounts trfd	-	-
Less ; Dividend Distribution Tax	-	(288,295)
	395,852,126	407,775,625
TOTAL	580,732,176	592,555,675

LONG TERM BORROWINGS

NOTE 11- SECURED LOANS	Current Period 30.09.2020	Current Year ending 31.03.2020
Note 11A: Long Term Borrowings		
Term Loans		
a S.B.I.Term Loan A/c No.34001402481 (@ 11.60%)	28,269,278	10,055,985
b S.B.I. Term Loan A/C NO. 36625259263 (@11.60%)	44,193,075	36,447,402
c ANDHRA BANK T/L NO.034030100007657 (@10.75%)	66,248,094	77,678,312
d Term Loan HDFC Bank (@9.8%)	136,820,974	119,578,734
e ANDHRA BANK T/L NO.0340301000008650 (@10.75%)	4,739,926	3,290,235
Total (a)	301,269,347	247,049,668

	Terms of repayment of Term Loans
	a.S.B.I. Term Loan A/C No-34001402481 above is repayable in 65 monthly installments of, First 18 instalments of Rs.22.00 lacs, next 12 instalments of Rs.24.00 lacs, next 24 instalmnets of Rs.25.00 lacs , next 11 instalmenst of Rs.29.00 lacs and last instalment of Rs.31 lacs only. present Rate of interest is 11.00% p.a.
	b & c. Repayment of term loans under "b & c" Rs.15.00 lacs per month for 30 month, 25 lacs for 25 months and 35 lacs for 12 months in proprtion to the sanctione amounts between SBI and AB.
	d. Repayment of term loan 60EMI starting from the October 2019 onwards
	e Repayment in 48 EMI
	Security given to the banks
	* For term loans "a" to "e" of note 5 the first pari passu charge on the fixed assets is given to the lending banks under consortium. Second charge on current assets has been given to lending banks on paripassu basis.
	** All the credit facilities are guranteed by personal gurantee of the Managing Director . Term loans at sr.no a to e are also collaterally secured by Equitable mortgage of land and building of Bhandari Knit Exports

KAPIL GOEL & ASSOCIATES CA CHARTERED ACCOUNTANTS FRN 009600N

Nitin Bhandari Nitin Bhandari

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

	Financial lease Hire charges obligations	Current Period 30.09.2020	Current Year ending 31.03.2020
f	HDFC Vehicle loan *	6,849,290	5,039,536
g	Kotak Mahindra Bank Ltd. *	204,087	17,489
h	UNSECURED LOANS FROM DIRECTOR**	90,900,000	90,900,000
	Total (b)	97,953,377	95,957,027
	Total (a+b)	399,222,724	343,006,694
	* Car Loans are secured by way of hypothecation of respective car to the respective banks & personal gurantee of the Managing Director		
	** Unsecured loans from director (Mr Nitin Bhandari) as stupulated by bank are interest free		

Note 11B :Short Term borrowings		Current Period 30.09.2020	Current Year ending 31.03.2020
	Working capital Limits		
i	S.B.I. E.P.C. (@3.90%) & SLC (@10.45%)	2,970,085	2,646,246
j	S.B.I. CCA 30729999785 (@9.90%)	417,876,092	435,945,180
k	SBI Covid-19	41,482,664	
l	SOUTH INDIANBANK LIMITED	149,909,289	149,008,832
m	HDFC Bank Limited cc Limit (@9.60%)	117,662,890	118,709,462
	SBI FITL	21,078,895	
n			
		750,879,915	706,509,720
	GRAND TOTAL	1,150,102,639	1,049,516,414

Security provided to the banks , Financial institutions

a) Working capital limits (i,j , k,l & m of note 5) are secured by first charge on all stocks consisting of Raw Material, WIP, finished goods , stores & spares , goods with fabricators , goods in transit , stock lying on docks , book debts and all other current assets of the company both present & future.

b) Extension of charge on the entire fixed assets of the company also given to the lending bank on first parripasau basis

c) All the credit facilities are guranteed by personal gurantee of the Managing Director.

d) Working limits (i,j, k, l & m) are also collaterally secured by Equitable morigage of land and building of Bhandari Knit Exports.

e) CC and EPC Limits are reapayble on demand. Present Rate of interest on these limits is EPC @ 9.05, CC @9.90% p.a(SBI), . There is no default on repayment of intetest on these accounts.

f) SLC Limit is reapayble on demand. Rate of interest on this limits is 11.85% p.a. There is no default on repayment of intetest in this accounts.

*The CC Limit of Andhra Bank was taken over by South Indian Bank Limited during the year 2019-20

NOTE 12- DEFERRED TAX LIABILITY	Current Period 30.09.2020	Current Year ending 31.03.2020
Deferred Tax Liability (See note 2.10 also)		
Opening Balance	37,569,391	35,569,391
Add:-Provison for the year		2,000,000
	37,569,391	37,569,391

NOTE 13-Trade payables	Current Period 30.09.2020	Current Year ending 31.03.2020
Creditors for capital goods		-
- Sundry creditors	96,559,862	109,961,634
	96,559,862	109,961,634

NOTE 14- OTHER LAIBILITIES	Current Period 30.09.2020	Current Year ending 31.03.2020
Unpaid dividend	332,664	302,998
Statutory dues	16,850,341	7,418,904
Other payables	4,233,607	6,514,067
Term Loan instalments payable in one year		55,103,613
Cheques issued but not yet presented		-
Advances from customers	48,312,352	35,250,205
	69,528,963	104,589,786

NOTE 15- PROVISIONS	Current Period 30.09.2020	Current Year ending 31.03.2020
Provision for Gratuity	3,123,285	3,123,285
Provision for Income-Tax		7,500,000
	3,123,285	10,623,285

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS FRN:009607N

BHANDARI LUDHIANA

NOTE 16- TURNOVER	Current Period 30.09.2020	Current Year ending 31.03.2020
Sales -Export	55,035,178	137,791,120
Sales-Domestic	743,561,063	2,636,510,439
	798,596,241	2,774,301,559

NOTE 17- OTHER INCOME	Current Period 30.09.2020	Current Year ending 31.03.2020
Profit on Sale of Car	-	-
Insurance Claims Received	-	-
Freight Recd	217,672	512,012
Interest others	-	537,166
	217,672	1,049,178

NOTE 18- COST OF RAW MATERIAL CONSUMED	Current Period 30.09.2020	Current Year ending 31.03.2020
Material Consumed		
Opening stock of Raw materials	198,350,000	185,368,484
Purchase of raw materials & semi finished gods	632,917,427	2,218,320,307
	831,267,427	2,403,688,791
Less: Closing stock of raw materials & semi finished goods	199,350,000	198,350,000
Material consumed	631,917,427	2,205,338,791
	631,917,427	2,205,338,791

NOTE 19- INCREASE(-) /DECREAASE(+) IN STOCK	Current Period 30.09.2020	Current Year ending 31.03.2020
Increase(-)/Decrease (+) in stock		
Closing stock of WIP	250,975,000	252,975,000
Closing stock of finished goods	257,403,500	244,823,500
	508,378,500	497,798,500
Less:		
Opening stock of Work-In-Process	252,975,000	246,281,684
Opening stock of finished goods	244,823,500	229,623,915
	497,798,500	475,905,599
Increase(-)/Decrease (+) in stock	(10,580,000)	(21,892,901)

NOTE 20- EMPLOYEE BENEFIT EXPENSES	Current Period 30.09.2020	Current Year ending 31.03.2020
Personnel Expenses		
Director's Remuneration		3,120,000
Wages	22,232,216	60,475,058
Salary	11,528,042	28,215,980
Contribution. to PF, ESI etc	1,275,302	4,300,846
Worker's Welfare, Bonus, gratuity ,LWW, L.T.C, etc.	1,774,109	5,796,212
TOTAL	36,809,669	101,908,106

Retirement Benefits:

a Short term benefits
Short term employee benefit are charged off at the undiscounted amount in the year in which the related service is rendered

b Long term Post retirement
Post retirement benefit comprise of provident fund and gratuity which are accounted for as follows:

i Provident fund
This is a defined contribution plan and contribution made to the fund are charged to revenue .The Company has no further obligation for the future provident fund benefits other than monthly contribution .

ii Gratuity Fund
This is a defined contribution plan . The Liability of the company is determined based on the acturial valuation using projected unit credit method . Acturial gain and losses are recognised in full to the profit & loss account for the period in which they occur . The retirement benefit obligation recognised in the Balance sheet represents the present value of the benefit obligation as per Acturial Valuation .

iii Leave with wages
Provisions for leave with wages is made on the basis of leave accrued to the employees

KRISHAN GOEL & ASSOCIATES CHARTERED ACCOUNTANTS FRN:009907N

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

NOTE -21 FINANCIAL EXPENSES	Current Period 30.09.2020	Current Year ending 31.03.2020
Bank Charges & Commission	147,653	5,818,629
Bank Interest Term Loan	10,054,709	28,514,525
Bank Interest CC	37,479,056	67,928,199
TOTAL	47,681,418	102,261,353

NOTE -22 OTHER EXPENSES	Current Period 30.09.2020	Current Year ending 31.03.2020
Manufacturing Expenses		
Opening Stocks consuemables	26,087,722	27,898,780
Consumables	6,729,677	23,615,255
Dyeing & Finishing	32,312,162	120,466,911
Testing & Sampling	423,189	915,995
Knitting Charges / Fabrication Charges	6,750,173	10,343,590
Power & Fuel	17,208,936	70,604,721
Less Consuemables closing stocks	26,087,722	26,087,722
	63,424,138	227,767,520
Office & Administrative Expenses		
Audit & Tax Audit Fees	20,000	90,000
Board & Audit Comit. Meting Fees		55,000
Charity and Donation	1,600	22,950
CSR Expenses	13,000	1,350,000
Fee & Taxes	1,200,117	2,112,738
Insurance Charges	3,292,867	2,592,308
Legal & Professional	1,065,325	2,334,361
Loss on sale of assets		141,550
Misc. Expenses	40,252	298,260
Printing & Stationery	309,201	1,122,244
Rent paid for showrooms		
Telephone & Telex	161,227	365,147
Vehicle Running Expenses	89,800	182,149
Travelling & Conveyance		
-Directors (Foreign)	154,600	2,181,852
-Directors (Domestic)		
-Others	77,082	3,903,434
Repair & Maintenance		
- Building	342,140	1,294,850
- Electric	65,193	1,100,394
- General	128,812	433,583
- Machinery	1,289,179	2,048,445
- Vehicle		625,868
Selling & Distribution Expenses		
Brokerage & Commission	204,478	2,183,847
Courier expenses	356,242	1,326,924
ECGC Premium	12,745	16,899
Export Expenses	540	10,305
Packing Material	2,027,437	6,300,566
Rebate & Discount (Quality Claim)	2,393,678	4,795
Rebate & Discount (Sales)		7,193,716
Sale Promotion & Exhibition	133,341	413,534
Shipping & Freight	3,528,645	7,518,293
	60,332,839	274,972,540

Number of equity shares

As per our separate report of even date
For Krishan Goel & Associates
Chartered Accountants

Manoj Jain
Partner M.NO.091621
Place : Ludhiana
Date :

Manoj Kumar
CFO

C. Secretary

(Nitin Bhandari)
Mg.Director

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

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Bhandari Hosiery Exports Ltd.
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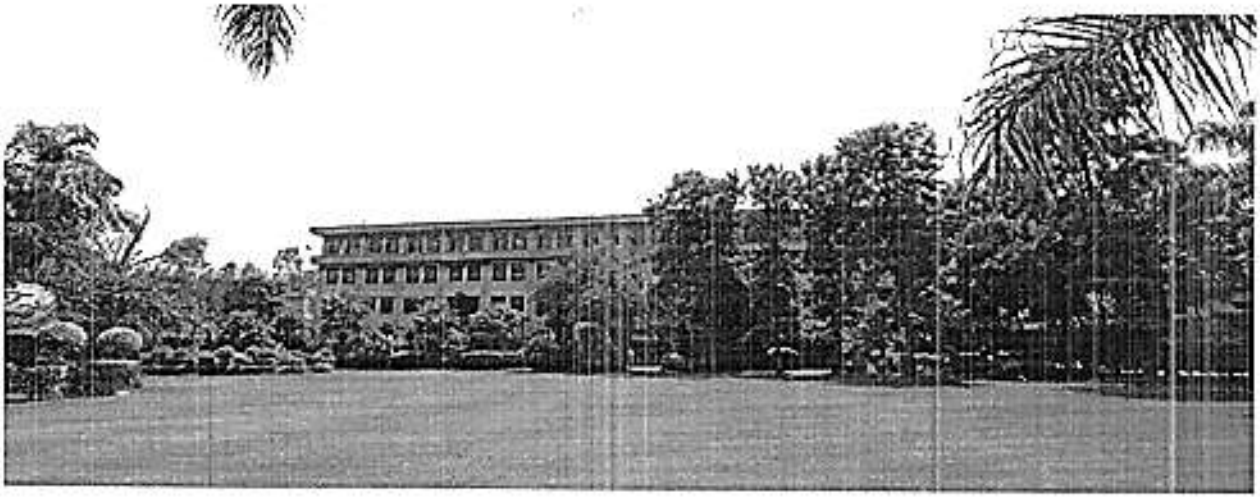
CORPORATE INFORMATION



BANKERS
State Bank of India
IFB Branch, Golden Tower
Dholewal Chowk, GT Road
Ludhiana-141003

Union Bank of India (earlier Andhra Bank)
B-XV-295/B & B-XV-295/ C, Near Oswal Street, Millerganj, G T Road,
Ludhiana-141003

HDFC Bank
Focal Point, Industrial Branch
Ludhiana-141010

South Indian Bank
Cheema Chowk, Industrial Area A
Ludhiana-141003

INDEPENDENT AUDITORS
M/S Krishan Goel & Associates.
SCO 17-18B, Gurudwara Shaheedan,
Pheruman Market, G.T. Road, Opp. Manju Cinema,Miller Ganj, GT Road
Ludhiana-141003 Punjab

COMPANY SECRETARY
Mr. Arpit Jain

KEY MANAGERIAL PERSONNEL
Mr. Nitin Bhandari- Mg. Director
Mr. Manoj Kumar- Chief Financial Officer
Mr. Arpit Jain- Company Secretary

REGISTERED OFFICE & WORKS
BHANDARI HOSIERY EXPORTS LTD.
Bhandari House, Village Meharban, Rahon Road, Ludhiana-141007
Punjab INDIA
Phones-+91 88720-16410
Fax: +91-161-2890394
Email: bhandari@bhandariexport.com
CIN : L17115PB1993PLC013930

INDEPENDENT DIRECTORS
Mrs. Vibha Sharma (Appointed W.e.f. 01.04.2019)
Mr. Surinder K. Kapoor (Appointed w.e.f. 01.06.2019)
Mrs. Geetika Bhalla (Appointed W.e.f. 18.08.2020)

WEBSITE
www.bhandariexport.com

ISIN
INE474E01029
LISTING: BSE, NSE

REGISTERAR AND SHARE TRANSFER AGENTS
M/S Link Intime India Pvt Ltd.,
Noble Heights, 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market,
Janakpuri, New Delhi - 110058
EMAIL: DELHI@LINKINTIME.CO.IN,
PHONES: 011- 41410592-94

BHANDARI HOSIERY AT A GLANCE

FULLY INTEGRATED BUSINESS MODEL	Design > Fabrics > Garments
FABRICS DIVISION	15 tonnes Per Day Fabric Dyeing Capacity Open width and tubular width
GARMENTS DIVISION	In-house Garments Division for exports and domestic sales.
LOWEST UTILITY CONSUMPTION IN THE INDUSTRY	Lowest water, steam and power consumption due to modernized machinery
SPECIALIZED FABRICS	Viscose, Lycra, Cotton and Blends
FIT FOR FAST CHANGING FASHION WORLD	Fast delivery turnaround time

BUSINESS VERTICALS - FABRICS & GARMENTS

PRODUCTS PROFILE

FABRICS

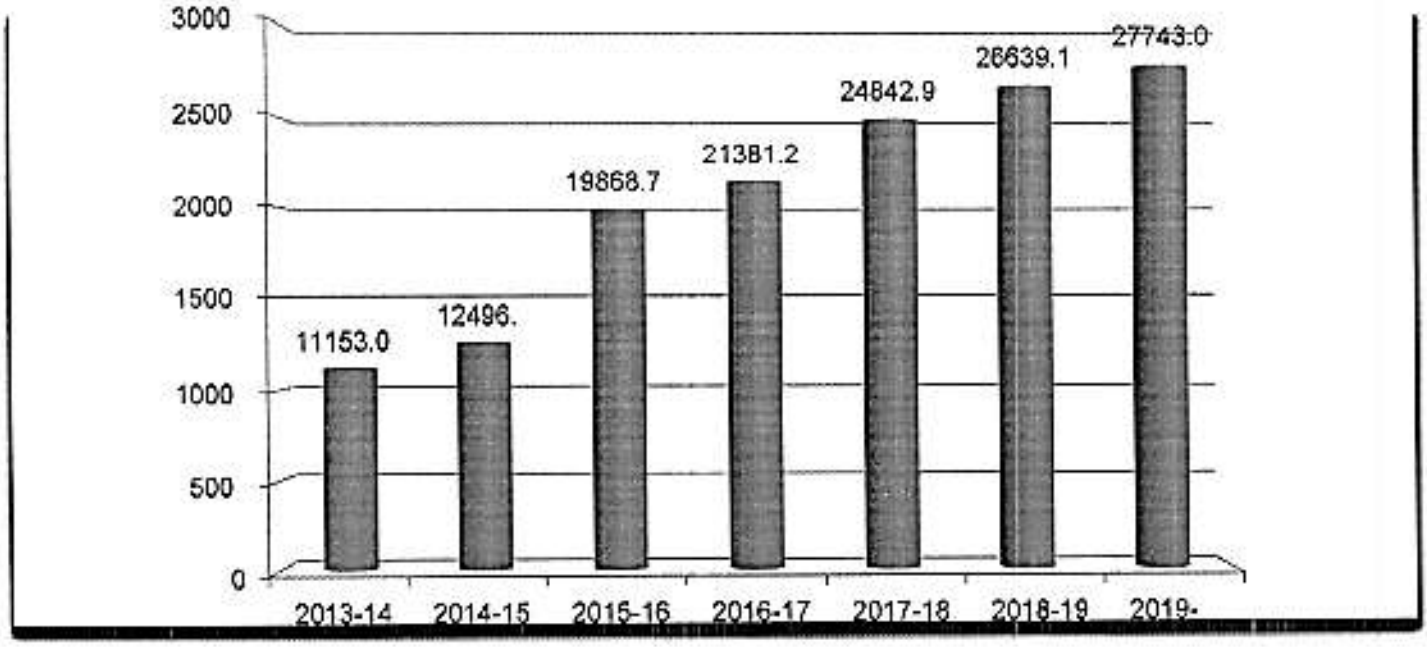
- **Circular Knitted Fabrics**
  - Natural
  - Synthetic
- **Open & Tubular width Fabrics**
- **Specialised Finishes**
  - Teflon
  - Stain resistance
  - Viscose
  - Lycra

GARMENTS

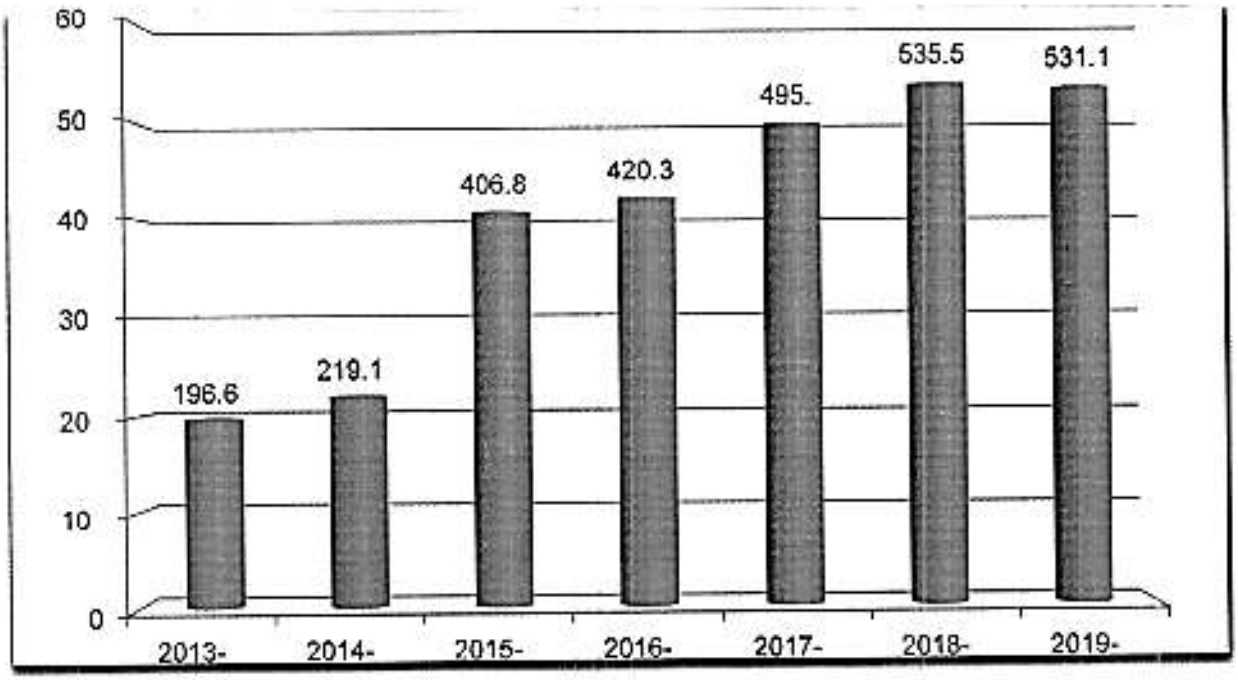
- **Women's Wear**
  - Tees
  - Leggings
- **Men's Wear**
  - T-shirts
  - Sweat Shirts
  - Pullovers
  - Polo
- **Kids Wear**

FINANCIAL PERFORMANCE

TURNOVER IN LAKHS RUPEES



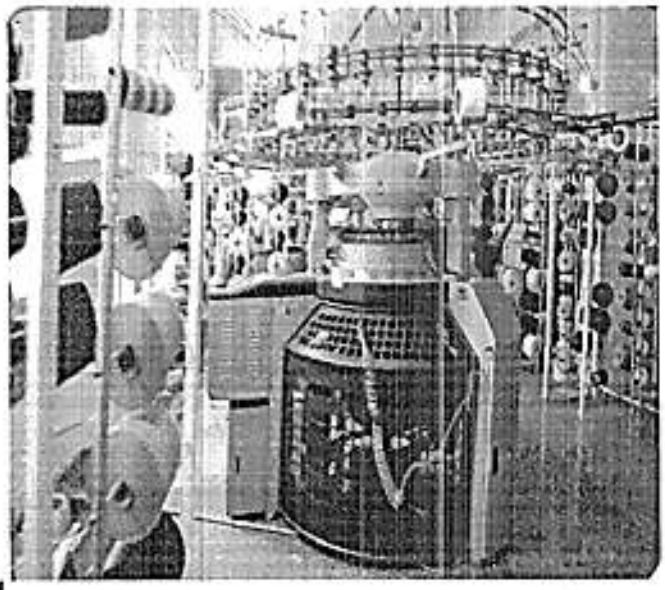
PROFIT AFTER TAX IN LAKHS RUPEES

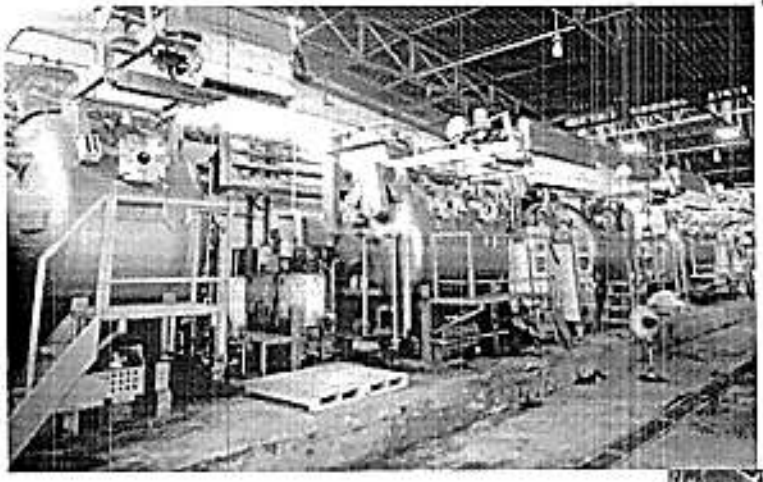


Bhandari Hosiery Exports Ltd.
Sustainable Innovation

FROM KNITTING TO FINAL GARMENTING, BHANDARI HOSIERY HAS ALL THE SOLUTIONS AT ONE PLACE.

IMPORTED KNITTING MACHINERIES





HIGH CAPACITY AND HIGH QUALITY DYEING UNIT

FINISHING UNIT





GARMENTING UNIT

BOARD OF DIRECTORS



MR. NITIN BHANDARI
(CHAIRMAN & MG. DIRECTOR)
DIN : 01385065



MR. VIKAS NAYAR
(NON-EXECUTIVE DIRECTOR)
DIN : 0071047



MR. SURINDER KUMAR KAPOOR
(INDEPENDENT DIRECTOR)
DIN:08442523
(APPOINTED W.E.F. 01.06.2019)



MRS. VIBHA SHARMA
(INDEPENDENT / WOMEN DIRECTOR)
DIN:01729753
(APPOINTED W.E.F. 01.04.2019)
(RESIGNED W.E.F. 15.02.2020)



MRS. GEETIKA BHALLA
(ADDITIONAL INDEPENDENT/ WOMEN DIRECTOR)
DIN:08805483
(APPOINTED W.E.F. 18.08.2020)



MR. RAJESH KUMAR
(ADDITIONAL NON EXECUTIVE DIRECTOR)
DIN: 05160964
(APPOINTED W.E.F. 17.03.2020)

CHAIRMAN & MG. DIRECTOR'S MESSAGE

Dear Shareholders,



I have great pleasure in presenting the Twenty Seventh Annual Report and Audited Financial Statements for the financial year ended 31st March, 2020. The year 2019-20 has been challenging time with lower GDP growth. The novel Corona virus has affected the smooth running business over the entire world.

In terms of business the lockdown in various nations has affected the business and growth during the last quarter. The Indian Textile & Apparel Industry has maintained a stable trend during the year 2019-20 but the export numbers were hit due to unprecedented lockdowns in various parts of the world.

During the year 2019-20, your Company was able to achieve turnover of Rs. 277.53 Crores as against Rs. 266.39 Crores in the previous year, showing an increase of 4.14% over the previous year. The Profits after Tax of the Company for the year ended 31.03.2020 has been at Rs.5.31 Crore as against at Rs. 5.36 Crore in the previous year showing an fall of 0.9912% over the previous year due to enforced lockdown in the last month of financial year.

During the year the Company undertook an expansion in fabric processing unit and dyeing by installing high tech machinery like fabric stenter and high tech compactor. The Company is widening its business in both domestic and international market each year. The COVID-19 scenario has certainly put a halt on our plan and we could not get full utilization of our expansion. It is also very hard to predict the coming financial year due to heavy impact of COVID-19. We aim to survive in this financial year & come out fighting from this scenario. However, we hope the vaccine comes soon so that we can continue our growth pattern.

When it comes to the current global scenario with respect to apparel manufacturing, it is advantage to India. With sanctions enforced and trade war with China the US market is becoming favorable and more opportunistic to Indian Textile Sector. Due to such events business of US Inc. is being shifted to the India during the year. We continue to monitor these developments with respect to our risks and opportunities.

Our success and growth greatly depends on the skills and dedication of our employees, co-operation of our Bankers, and other business constituents, whom I would like to thanks sincerely. I am looking forward to another exciting year ahead.

The COVID-19 situation is getting very challenging day by day. The number of cases are increasing very rapidly. I strongly urge everybody to please take extra care & precautions because until the vaccine comes our first priority should be concentrated on our health.

Finally, I take this opportunity to thank all the Company's stakeholders for their confidence in Bhandari Hosiery Exports Ltd. and look forward for their continued support in the years to come.

Warm Regards

Sd/-
Nitin Bhandari
Chairman & Mg. Director

Bhandari Hosiery Exports Ltd.
Sustainable Innovation

BHANDARI HOSIERY EXPORTS LIMITED

REGD. OFFICE: BHANDARI HOUSE, VILLAGE MEHARBAN, RAHON ROAD,
LUDHIANA-141007 (PUNJAB) (INDIA)
PHONES: +91-88720-16410, FAX : +91-161-2690394, E-mail : bhandari@bhandarlexport.com
Web: www.bhandarlexport.com ; Corporate Identification No. / CIN: L17115PB1993PLC013930

NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Members of the Company will be held on Monday, the 28th day of September, 2020 at 9.30 A.M. at the Registered Office of the Company at Bhandari House, Village Meharban, Rahon Road, Ludhiana-141007 to transact the following business:-

ORDINARY BUSINESS

1. **Adoption of accounts**
   To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2020 together with the Reports of the Auditors and Directors thereon.

2. **Consider of dividend**
   To consider declaration of dividend on Equity Shares for the financial year ended 31st March, 2020.

3. **Re-appointment of Mr. Vikas Nayyar**
   To appoint a Director in place of Sh. Vikas Nayyar(DIN 00071047), who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

4. **Appointment of Statutory Auditors**
   To ratify the appointment of Statutory Auditors and fix their remuneration and in this regards to consider and if thought fit, to pass the following resolutions as Ordinary Resolution:-

   "**RESOLVED THAT** pursuant to the provisions of Section 139 and 142(1) of the Companies Act,2013 , read with rules made there under, the appointment of M/s Krishan Goel & Associates, Chartered Accountant, Ludhiana (FRN 009607N) approved in the 24th Annual general Meeting to hold office till the Conclusion of 29th Annual General meeting (subject to ratification of appointment by the members at every AGM), be and is hereby ratified in this Annual General Meeting till the conclusion of next Annual General Meeting , on a remuneration as may be agreed upon by the Board of Directors and the Auditors."

SPECIAL BUSINESS

5. **To Consider and if though fit, to pass the following Resolution as Ordinary Resolution:-**
   Appointment of Mrs. Geetika Bhalla as a Non-Executive Independent director

   "**RESOLVED THAT** pursuant to the provisions of Sections 149,150 and 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Mrs. Geetika Bhalla (holding DIN 08805488), who was appointed as the Additional Director of the Company with effect from 18th August, 2020 under Section 161 of the Companies Act, 2013 , who is eligible for appointment and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a term of three year w.e.f. August 18, 2020 to 31st March, 2023 and whose office shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013.

6. **To Consider and if though fit, to pass the following Resolution as Ordinary Resolution:-**
   Appointment of Mr. Rajesh Kumar as a Non-Executive Non Independent director of the Company
   "**RESOLVED THAT** pursuant to the provisions of Sections 149,150 and 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Mr. Rajesh Kumar (holding DIN 05160964) who was appointed as the Additional Director of the Company with effect from 17th March, 2020, who is eligible for appointment and has submitted a declaration that he is not disqualified for being appointed as Director of the Company, be and is hereby appointed as the Non Executive Director of the Company whose office shall be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013."

7. To Consider and If though fit, to pass the following Resolution as Ordinary Resolution:-
To Increase the Borrowing Power of the Company

"**RESOLVED THAT** , pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013 read with the relevant rules thereof (including any Statutory modification(s) or re-enactment(s) thereof for the time being in force) and in supersession of earlier Ordinary Resolution passed at the extra ordinary general meeting dated 15.02.1995 and 08.09.2014 for borrowing powers, the consent of the Shareholders of the Company be and is hereby accorded to the Board (hereinafter referred to as "the Board" which terms shall be deemed to include any committee thereof) to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or any body corporate/ entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of Rs. 250 Crores (Rupees Two Hundred Fifty Crores only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves.

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds and things, to execute all such documents, instruments in writing as required in its absolute discretion, pursuant to the above resolution."

8. To Consider and if though fit, to pass the following Resolution as Special Resolution:-
To increase the securitization, mortgage/ charges on the Moveable and Immoveable Properties of the Company, Both Present and Future

"**RESOLVED THAT** , pursuant to provisions of Section 180(1)(a) of the Companies Act, 2013 read with the relevant rules thereof (including any Statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to other approvals , if applicable or required under any statutes / rules/ regulations or any law for the time being in force or required from any other concerned authorities and in supersession of all earlier Resolution passed in this regard the consent by the shareholders of the Company is accorded to the Board of Directors (hereinafter referred to as the "the Board' which term shall be deemed to include any Committees thereof) to sell, lease, mortgage or otherwise dispose of whole or substantially the whole of the undertakings of the Company or to create such charges , mortgages and hypothecation in addition to the existing charges , mortgages and hypothecation created by the Company, on such moveable and immoveable properties , both present and future and in such manner as the Board may deem fit together with power to takeover the substantial assets of the Company in certain events in favor of banks/ financial institutions , other investing agencies and trustees for the holders of debentures/ bonds/ other instrument to secure rupee/ foreign currency loans and / or the issue of the debentures whether partly/ fully convertible or non-convertible and / or rupee / foreign currency convertible bonds and / or bonds with share warrants attached (herein after collectively referred to as " Loans") provided that the total amount of Loans together with interest thereon , additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption , costs charges, expenses, and all other monies payable by the Company in respect of the said loans shall not, at any time exceed Rs 250 Crores(Rupees Two Hundred Fifty Crores)."

"**RESOLVED FURTHER THAT**, in connection with afore stated Resolution, the Board shall have the power to mortgage or otherwise offer as collateral , substantial property , assets and / or undertakings of the Company in certain events, to banks/ financial institutions, other lending agencies, and/or trustees for the holders of debentures/ bonds/ other instruments, to secure any rupee loan, foreign currency loans and/or the issue of debentures whether partly or fully convertible or non convertible and/or securities linked to equity shares and/or rupee/foreign currency convertible bonds/or bonds with share warrants attached hereto."

"**RESOLVED FURTHER THAT** , for the purpose of giving effect to the Resolution the Board, be and is hereby authorized to do all acts, deeds, matters and things and to give such directions as may be necessary or expedient to settle any question , difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

9. To Consider and if thought fit, to pass the following resolution as Special Resolution:-
To re-appoint Mr. Nitin Bhandari, as the Managing Director of the Company w.e.f. 22.11.2020

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents and provisions as are required to be complied with, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Nitin Bhandari (DIN: 01385065) as Chairman & Managing Director and CEO of the Company, for a period of 3 (three) years with effect from 22.11.2020, on following terms and conditions including remuneration subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

1	PERIOD OF APPOINTMENT	Three years w.e.f. 22.11.2020
2	DESIGNATION / POSITION	Chairman & Mg. Director and CEO
3	CONSOLIDATED SALARY	Rs. Four Lac per month.
4	PERQUISITES	Additionally allowable perquisites as specified in Section IV of of Part II of Schedule V to the Companies Act, 2013 shall be such as in accordance with the rules of Company or as may be fixed and decided by the Board of Directors from time to time.
5	MINIMUM REMUNERATION	In the event of loss or inadequacy of profits, the remuneration as above shall be paid as minimum remuneration.
6	OVERALL CEILING	In any event, the Remuneration shall not exceed limits specified under paragraphs (A) of Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration
7	POWER TO VARY	After the approval of the shareholders to the same, the Board shall have the powers to vary or enhance the remuneration from time to time at its discretion on the recommendations of Remuneration Committee within the overall limits specified in subject to the limits specified under paragraphs (A) of Section II of Part II of Schedule V to the Companies Act, 2013 as amended from time to time, without referring the same again to General Meeting.
8.	OTHER TERMS OF APPOINTMENT	1. He shall report to the Board of Directors of the Company who shall empower him with such requisite powers (with authority to revoke and/or amend such powers) to enable him to discharge his duties with full responsibility or the area of operations under his control. 2. He shall work under the superintendence, control and direction of the Board of Directors of the Company. 3. The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors. 4. The Managing Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel. 5. He shall be liable to retire by rotation in accordance with the provisions of Companies Act, 2013 and/or Articles of Association of the Company. 6. He shall not be entitled to any sitting fee for Meetings of the Boards or Committees thereof. 7. In case Managing Director draws remuneration as a managerial person from another Company, the total remuneration payable by both the Companies shall not exceed the higher maximum limit permissible for any one of the Companies. 8. MD shall be subject to all other service conditions and employee benefit schemes, as applicable to any other employee of the Company. 9. The appointment may be terminated by either party by giving six months' notice of such termination or the Company paying six months' remuneration in lieu of such notice. 10. The Appointee is appointed as Director by virtue of their employment in the Company and their appointment shall be subject to the provisions of Section 167 of the Act.

		11. All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Appointee unless specifically provided otherwise. 12. All other general terms of employment and other existing terms and conditions of employment not covered elsewhere shall remain unchanged. 13. All other terms and general conditions of appointment as applicable to key employees of the Company and Key Managerial Personnel of the Company shall apply to him.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary, in accordance with the terms and conditions stated above, the scope of remuneration of Mr. Nitin Bhandari Chairman and Managing Director, including monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered necessary, subject to the overall limits as specified by the Companies Act, 2013."

"RESOLVED FURTHER THAT n the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Nitin Bhandari as Managing Director, the Company shall pay to Mr. Nitin Bhandari, the above remuneration as minimum remuneration but not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration."

By Order of the Board of Directors

Sd/-
(NITIN BHANDARI)
Chairman & Mg. Director

Place : Ludhiana
Dated : 18.08.2020

NOTES:

1. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE DEPOSITED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. A statement giving relevant details of the directors seeking appointment/re-appointment under Items No. 3 and 6 of the accompanying notice, as required under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is annexed herewith.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 22nd September, 2020 to Monday , the 28th September, 2020 (both days inclusive) for the purpose of Annual General Meeting of the Company and payment of dividend, if any, for both physical and electronic segments.
6. Final Dividend of @1% i.e. Rs.0.01 per equity share of Rs. 1/- each has been recommended by the Board of Directors, subject to the approval of the shareholders at the ensuing Annual General Meeting. Subject to the provisions of Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the Meeting, will be paid within 30 days of the declaration of same to those Members whose names appear on the Register of Members as on 21st September, 2020.
7. Corporate members intending to send their authorized representative to attend the meeting are requested to send the Company a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
8. In case of joint shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The Company has transferred all amounts of unclaimed dividend declared for the Financial Year 2006-07 to "The Investors Education and Protection Fund" established by the Central Government, during year 2014-15. There were no other amounts of unpaid dividends pending for transfer to such Fund in the year 2015-16 and 2016-17. Further after year 2006-07, the Company has declared the dividends for the year 2014-15 @1% i.e. Rs. 0.1/- per equity share of the face value of Rs. 10/- each, then for the year 2015-16 again @ 1% i.e. 0.01 per equity share of face value of Rs. 1/- each, then for the year 2016-17 again @ 1% i.e. 0.01 per equity share of face value of Rs. 1/- each, then for the year 2017-18 again @ 1% i.e. 0.01 per equity share of face value of Rs. 1/- each and for the year 2018-19 again @ 1% i.e. 0.01 per equity share of face value of Rs. 1/- each. Dividends that remain unclaimed / unpaid for a period of seven (7) years from the date on which they were declared, are required to be transferred to the Investor Education and Protection Fund (IEPF) . Shareholders / Investors who have not encashed their Dividend Warrants if any, for year 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 are requested to lodge their claims by quoting their respective Folio No./DPClient ID with Company.
10. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
11. The Company has entered into agreements with CDSL and NSDL to offer depository services to the Shareholders. Shareholders can open account with any of the depository participants registered with CDSL and NSDL.
12. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to the at the Registered Office of the Company at least 10 days prior to date of Annual General Meeting.
13. The Register of Directors' Shareholdings maintained under Section 170 and Register of Contract or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 are open for inspection at the Registered Office of the Company during the office hours on all working

days, between 11.00 a.m. and 1.00 p.m. upto Annual General Meeting and will be open for inspection during the Annual General Meeting also.

14. Members are requested to bring their copies of Annual Report at the meeting, as extra copies will not be supplied.
15. Notice of the AGM along with Annual Report 2019-20 is being sent by electronic mode to those members whose email addresses are registered with the Company/ Depository Participants unless any member has requested for the physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by permitted mode. To support the Green Initiative, members (holding shares in electronic form) who have not registered their email addresses, are requested to register the same with their Depository Participants. Members holding shares in physical mode are requested to register their email ID with the Registrar and Share Transfer Agent of the Company.
16. In view of the circular issued by SEBI, the Electronic clearing Services (ECS/NECS) facility should be used by the companies for the distribution of dividend to its members. In order to avail the facility of ECS/NECS, Members holding shares in physical form are requested to provide bank account details to the Company and its Registrar and Share Transfer Agents. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. Any changes in such bank mandate must be advised only to the Depository Participant of the Members.
17. Electronic copy of the Annual Report for 2019-20 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2019-20 is being sent in the permitted mode.
18. The Company declares that its equity shares are listed on the BSE Ltd. (BSE), and National Stock Exchange of India Ltd. (NSE) Mumbai. The Company has paid the annual listing fee upto year 2020-21 to the above stock exchanges.
19. Members are requested to furnish their Bank Account details, change of address, e-mail address etc. to the Company's Registrar and Transfer Agents viz . M/S LINK INTIME INDIA PVT LTD., NOBLE HEIGHTS , 1ST FLOOR, PLOT NH-2, C-1 BLOCK LSC, NEAR SAVITRI MARKET, JANAKPURI, NEW DELHI -110 058, EMAIL: DELHI@LINKINTIME.CO.IN, PHONES: 011-41410592-94, FAX: 011- 41410591, in respect of shares held in the physical form and to their respective Depository Participants, if shares are held in electronic form.
20. Only registered members carrying the attendance slips and the holders of valid proxies registered with the Company will be permitted to attend and vote at the meeting.
21. The route map of the venue of Annual General Meeting forms part of this Notice and is published elsewhere in the Annual Report of the Company.
22. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).
23. Members may also note that the Notice of the 27th Annual General Meeting and the Annual Report for year 2019-20 will also be available on the Company's website www.bhandariexport.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Ludhiana for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investor@bhandariexport.com
24. **Voting for transaction of Business/Voting Through Electronic Means**

The business as set out in the Notice may be transacted and that :

(A) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, the Company is pleased to provide members facility to exercise their right to vote at the 27th Annual General Meeting (AGM) by electronic means and the business may be transacted through e- Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be

provided by Central Depository Services (India) Limited (CDSL)

(B) The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote may exercise their vote through electronic voting system or ballot or polling paper at the AGM..

(C) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

(D) The remote e-voting period commences on Friday, September 25, 2020 (9.00 a.m. IST) and ends on Sunday, September 27, 2020 (5.00 p.m. IST). During this period, Members of the Company, holding shares both in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Monday, September 21, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

(E) Any person, who acquires shares and becomes member of the Company after dispatch of the Notice of the AGM and holding shares as of the cut off date i.e. September 21, 2020, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or cs@bhandariexport.com. However, if a person is already registered with CDSL for evoting then existing user ID and password can be used for casting the vote.

(F) Mr. Rajeev Bhambri & Associates, Practicing Company Secretary (C.P. No. 9491), Ludhiana, has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

(G) The Scrutinizer after scrutinizing the votes cast at the meeting and through remote evoting, will, not later than 3 days of conclusion of the meeting, make a consolidated scrutinizer's report and submit to the Chairman of the Company. The results declared alongwith the consolidated scrutinizer's report shall be uploaded on the Company's website i.e. www.bhandariexport.com and www.evotingindia.com. The results shall simultaneously will be communicated to the BSE Ltd and NSE.

(H) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting i.e. 28th September, 2020.

Instructions for E-Voting

The instructions for shareholders voting electronically are as under:

(i) The remote e-voting period commences on Friday, September 25, 2020 (9.00 a.m. IST) and ends on Sunday, September 27, 2020 (5.00 p.m. IST). During this period, Members of the Company, holding shares both in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Monday, September 21, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant BHANADRI HOSIERY EXPORTS LIMITED on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) Note for Non – Individual Shareholders and Custodians

a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
c. After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
d. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING

***For Item No.5 of the Special Business:**

The Board of Directors, pursuant to the provisions of Section 161 of the Act and applicable rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 appointed Mrs. Geetika Bhalla (DIN 08805488) as an Additional Director in the capacity of an Independent Director holding office upto the date of the Annual General Meeting. The Company has received notice from a member proposing the candidature of Mrs.Geetika Bhalla as Independent Directors of the Company.

The Nomination & Remuneration Committee has recommended and the Board has approved the appointment of Mrs. Geetika Bhalla as Additional Independent Directors as per their letters of appointment for a period of three years from August 18, 2020.

Mrs. Geetika Bhalla , have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Mrs. Geetika Bhalla fulfill the conditions specified in the Act and the rules framed thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Companies Act, 2013 the appointment of Mrs. Geetika Bhalla as Independent Directors is now being placed before the Members for their approval. All the relevant documents, contracts, the terms and conditions of the appointment of Mrs. Geetika Bhalla as Independent Directors of the Company shall be open for inspection by the Members at the Registered Office of the Company between 10:00 am to 1:00 pm on all working day, (Monday to Friday) except Saturdays, Sundays and holidays upto the date of Annual General Meeting and the same shall be available at the time of Annual General Meeting.

Kindly refer the report on Corporate Governance for information in respect of appointment of Mrs. Geetika Bhalla, pursuant to the Secretarial Standard on General Meetings.

A brief profile of the Independent Directors to be appointed is given below:

- Mrs. Geetika Bhalla is a Post Graduate MBA in Marketing & Finance. She has been running business and also have been serving in various companies for last many years.

Except the appointees Mrs. Geetika Bhalla none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed Resolution as set out as Item no. 5 the Notice.

***For Item No.6 of the Special Business:**

The Board of Directors, pursuant to the provisions of Section 161 of the Act and applicable rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 appointed Mr. Rajesh Kumar (DIN 05160964) as an Additional Director in the capacity of an Non Executive Director holding office upto the date of the Annual General Meeting. The Company has received notice from a member proposing the candidature of Mr. Rajesh Kumar as Non- Executive Directors of the Company.

The Nomination & Remuneration Committee has recommended and the Board has approved the appointment of Mr. Rajesh Kumar as Additional Non Executive Directors as per their letters of appointment from March 17th, 2020.

Mr.Rajesh Kumar, have given a declaration to the Board that they are notdisqualified and are eligible for being appointed as the Director of the Company.

In compliance with the provisions of section 149 read with Schedule IV of the Companies Act, 2013 the appointment of Mr. Rajesh Kumar as Non Executive Directors is now being placed before the Members for

their approval. Kindly refer the report on Corporate Governance for information in respect of appointment of Mr. Rajesh Kumar, pursuant to the Secretarial Standard on General Meetings.

A brief profile of the Non Executive Directors to be appointed is given below:

- Mr. Rajesh Kumar is PGDMIR (Post Graduate Diploma in Management and Industrial relations. He has more than 27 years of experience in HR management and Time Keeping. He is also the HR Head of Bhandari Hosiery Exports Limited since last many years.

Except the appointees Mr. Rajesh Kumar none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed Resolution as set out as Item no. 6 the Notice.

***For Item No. 7 & 8 of the Special Business:**

Keeping in view the Bhandari Hosiery Exports Limited existing and future financial requirements to support its business operations, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits from Rs. 150 crores to Rs. 250 Crores for the Company.

Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company.

Further, Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting, which authorization is also proposed to be increased from Rs. 150 crores to Rs. 250 Crores taken together.

Hence, the Special Resolution at Item No. 7 & 8 of the Notice is being proposed, since the same exceeds the limits provided under Section 180(1)(a) & 180(1)(c) of the Act. The Directors recommend the Special Resolution as set out at Item No. 7 & 8 of the accompanying Notice, for members' approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding in the Company.

***For Item No.9 of the Special Business:**

Mr. Nitin Bhandari was appointed as Chairman cum Managing Director of the, for a period of 3 (three) years with effect from 22.11.2017 .The present term of Shri Nitin Bhandari will expires on 21.11.2020. Accordingly the approval of Members by way of Special Resolution is being sought to re-appoint him as Chairman Cum Mg. Director and CEO of the Company for a further period of 3 year w.e.f 22.11.2020 at existing remuneration of Rs. 4,00,000/- per month as recommended by Nomination and Remuneration Committee and approved by the Board of Directors.

The Company had obtained his consent in writing to act as a director of the company in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014 and also intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors), to the effect that he is not disqualified from being appointed as Director under sub-section (2) of Section 164 of the Companies Act, 2013 together with other disclosures and information. Mr. Nitin Bhandari satisfies all the conditions set out in Part-I of Schedule V to the Act and also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible himself for re-appointment.

Mr. Nitin Bhandari aged 37 years has done Master of Business Administration in Entrepreneurial Management from European Business School, London, U.K. He has gained vast experience in the fields of production management, merchandising, setting up of new projects and modernization, liaison with foreign and domestic buyers, marketing, cost & wastage control etc. Considering the above facts, Mr. Nitin Bhandari's qualification and experience and his importance to the Company, he has proved to be an asset to the organization and his continued association would be of immense benefit to the Company. Therefore the Board of Directors of the Company has re-appointed him as Chairman cum Mg. Director and CEO of the Company for a further period of 3 (three) years with effect from 22.11.2020 on the terms and conditions including remuneration as detailed in the Resolution set out in the Notice.

Mr. Nitin Bhandari is a Director & Promoter in M/s Tikani Exports Limited w.e.f. 23.08.2019 he associate Company of M/s Bhandari Hosiery Exports Ltd. He is a Member of Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the Company.

Information required under Section II, Part II of Schedule V of the Companies Act, 2013:

I. General Information		
Nature of industry	Manufacture and Export of Knitted readymade Garments	
Date or expected date of commencement of commercial production	Company was incorporated on 25th November, 1993 and the Certificate of Commencement of Business was dated 07th December, 1993. The Company had already	
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
Financial performance based on given indicators	The details of financial performance of the Company for the years 2017-18 and 2018-19 are provided in the Annual Reports.	
Foreign investments or collaborations, if any	The Company has not entered into any material Foreign collaboration and no direct capital investment has been made in the company. Foreign Investors, mainly comprising NRIs, FIIs and/or Foreign Nationals are investors in the Company on account of past issuances of securities/secondary market purchases. The Company has no subsidiaries/holding companies/Joint Ventures as on 31.03.2020.	
II. Information about the appointee		
Background details	Name and Designation	Shri Nitin Bhandari, Chairman & Mg. Director .
	Date of Birth	24.08.1983
	Father's Name	Shri Naresh Bhandari
	Nationality	Indian
	Qualifications	MBA in Entrepreneurial Management from European Business School, London, U.K.

Past remuneration	He was paid a remuneration of Rs. 14,40,000/- during the year 2018-19 till mid of 2019-20. The remuneration has been increased from Rs 1,20,000/- per month to Rs 4,00,000/- per month by from 01st October, 2019 by special resolution passed in the Annual General Meeting held on 28.09.2019. He is proposed to be re-appointed at consolidated monthly salary of Rs.4,00,000/- per month. There is no change in proposed remuneration of the appointee.
Recognition or awards	None
Job profile and his suitability	Shri. Nitin Bhandari holds an MBA degree in Entrepreneurial Management from European Business School, London, U.K. Masters. He has over 16 years of professional experience in the overall managerial area. Taking this into consideration, the Board has bestowed the leadership of the Organization to Shri. Nitin Bhandari.
Remuneration proposed	Details of proposed remuneration are presented in the resolution and also in the statement under Section 102 of the Companies Act, 2013
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable with the industry standards for a director of similar profile.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mr. Nitin Bhandari is Promoter and Managing Director of the company and holds 25178300 (17.18%) equity shares in the Company.

III. Other information

Reasons of loss or inadequate profits	The Company has profits in the past years as well as in 2017-18 and 2018-19. In 2019-20, the profits of the Company after Tax were Rs. 531.18 Lacs and are adequate. The Company expects to grow in terms of turnover and profitability. But in future profits may become inadequate due to Higher interest cost, general reversionary trend in the textile industry, global slowdown, modernization and expansion costs, ambiguous government policies and unprecedented volatility in prices of raw materials and competition.
Steps taken or proposed to be taken for improvement	The Company has taken various initiatives viz. product innovation, enhancements of production capacities and customers base, reduction of various costs, better market penetration, exploring new buyers and improvement in realization etc. It is expected that the performance of Company will further improve during the next financial year as initiatives taken by the Company for increase its productivity and efficiency. The turnover and profitability will also improve further, but are not measurable as the same are influenced by various factors such as market prices of raw materials and cost of various inputs etc.

Expected increase in productivity and profits in measurable terms	The aforesaid steps taken / to be taken by the Company are expected to improve further the Company's performance and profitability in the future.
Special Resolution of Increase in Remuneration Limit of Sec 197 &198 of the Companies Act,2013	The Company has taken approval from Shareholders of the Company in accordance with the provision of Sec 197 of the Companies Act,2013 by granting the increase in the overall limit of managerial remuneration payable by the Company to the Managing Director and other Directors of the Company in respect of any financial year from 11% to 15% of the net profits of the Company. The Shareholders of the Company has also approved the upward revision of the Remuneration of Managing Director of the Company, as per Sec 198,197 and 201 of the Companies Act, 2013, w.e.f. 01 st October, 2019 from Rs 120000 per month to Rs 400000 per month in the Annual General Meeting of the Company held on 28.09.2019.
IV. Disclosure: The disclosures as to remuneration and other details as required are given elsewhere in the Annual Report 2019-20	

None of the Directors and Key Managerial Personnel except Shri. Nitin Bhandari as an appointee may be deemed to be concerned or interested in the Resolution. The Notice together with this Statement may be regarded as a disclosure under SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

By Order of the Board of Directors

Sd/-
(NITIN BHANDARI)
Chairman & Mg. Director

Place : Ludhiana
Dated : 18.08.2020

INFORMATION PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015 REGARDING THE DIRECTORS SEEKING APPOINTMENTS IN THE ANNUAL GENERAL MEETING.			
NAME OF DIRECTOR	MR. RAJESH KUMAR	MRS. GEETIKA BHALLA	MR. NITIN BHANDARI
CATEGORY	NON EXECUTIVE DIRECTOR	INDEPENDENT WOMAN DIRECTOR	MANAGING DIRECTOR
DATE OF BIRTH	20.02.1971	29.12.1982	24.08.1983
DIN	05160964	08805488	01385065
DATE OF APPOINTMENT	17.03.2020	18.08.2020	23.11.2009
QUALIFICATION	PGDMIR	MBA (Marketing)	MBA In Entrepreneurial Management from European Business School, London, U.K.
SHAREHOLDING IN THE COMPANY	NIL	NIL	25178300 (17.18% of Equity shares)
RELATIONSHIP WITH OTHER DIRECTORS OF THE COMPANY	NIL	NIL	NIL
DIRECTORSHIP/CHAIRMANSHIP IN OTHER PUBLIC COMPANIES	NONE	NONE	1
DIRECTORSHIP OF PRIVATE COMPANIES/PARTNERSHIPS/LLP	NONE	NONE	NIL
MEMBERSHIP/ CHAIRMANSHIP OF COMMITTIEES OF BOARD OF OTHER COMPANIES	NIL	NIL	NIL
EXPERTISE	HR & Management	Marketing & Finance	Mr. Nitin Bhandari aged 34 years has done Master of Business Administration in Entrepreneurial Management from European Business School, London, U.K. He has developed vast experience in the fields of production management, merchandising, setting up of new textiles projects, their modernization and expansion, viability, liaison with foreign and domestic buyers, marketing, cost & wastage control etc.
NUMBER OF MEETINGS OF THE BOARD ATTENDED DURING THE YEAR AND OTHER DIRECTORSHIPS	Nil	Nil	Refer Corporate Governance Report forming part of Annual report
DETAILS OF REMUNERATION	Nil	Nil	Refer MGT-9 to Directors Report

DIRECTORS' REPORT

To
The Members,
BHANDARI HOSIERY EXPORTS LIMITED

Your Directors have pleasure in presenting their 27th Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2020.

FINANCIAL RESULTS

As mandated by the Ministry of Corporate Affairs, your company has prepared the financial statement (standalone) for the year ended March 31, 2020 as per Indian Accounting Standard ('IND AS') notified under Sec 133 of the Companies Act, 2013 read with notification no. G.S.R. 111(E) dated 16.02.2015 as amended from time to time.

(RS. IN LACS)

PARTICULARS	2019-20	2018-19
Total Income	27,753.51	26,639.28
GROSS PROFIT before interest depreciation and tax	2150.24	1987.53
Less: Financial expenses	1022.61	920.51
Less: Depreciation and preliminary exp. written off	501.44	435.23
PROFIT BEFORE TAX	626.18	631.79
Less: Provision for tax	-95.00	-96.25
PROFIT AFTER TAX	531.18	535.54
Add: Balance brought forward	3581.88	3046.35
Less : Previous Years amounts transferred	0.00	0.00
Amount available for appropriation(s)	4095.44	3581.88
Appropriation:		
-Proposed Dividend on Equity shares @ Rs. 0.01/- per Equity Share (i.e. 1%) (Refer Note (i) below)	14.65	14.65
-Tax on Proposed Dividend	2.98	2.98
Balance carried to Balance Sheet	4077.76	3564.26
Note: (i) Proposed Dividend on Equity Share		
Proposed Dividend for the year ended 31st March, 2019 @ Rs. 0.01/- per Equity Share (i.e. 1%)	14.65	14.65
Dividend Distribution Tax on proposed dividend	2.983	2.983

"The Board of Directors of the Company has proposed final dividend of Rs. @ Rs. 0.01/- per Equity Share (i.e. 1%), which is subject to the approval by the shareholders at the ensuing Annual General Meeting. In accordance with the revised Indian Accounting Standard – 'Contingencies and Events occurring after the Balance Sheet Date' (effective from 01.04.2016), proposed dividend for the year and Corporate Dividend Tax thereon has not been recognized as a distribution of profit in the current year's accounts."

PERFORMANCE REVIEW

Your Company recorded a very good performance in terms of increased turnover and profitability. During the year 2019-20, your Company was able to achieve turnover of Rs. 27743.02 Lacs as against Rs. 26626.20 Lacs in the previous year, showing an increase of 4.19% over the previous year. The Profits after Tax of the Company for the year ended 31.03.2020 has been at Rs.531.18 Lacs as against Rs. 535.54 Lacs in the previous year showing the decrease in profit of 0.992% in comparison to the previous year.

EXPORTS

The Exports of the Company during the financial year were to the tune Rs 1377.91 Lacs as against Rs. 760.90 Lacs in the previous year, showing the increase of 81.08 % over the previous year.

SHARE CAPITAL

The issued and paid up Equity Share Capital of the Company as on March 31, 2020 was Rs. 14,65,26,950/- comprising 14,65,26,950 fully paid Equity shares of Rs. 1/- each. During the year under review, the Company has not issued any equity shares/ shares with differential voting rights or granted stock options or issued sweat equity or purchased its own shares. There were no additions/reductions during the financial year 2019-20, in share capital of the Company by way of Public/ Rights/Bonus/preferential issues/ buy back, conversions etc. or any other changes.

DIVIDEND

Your directors are pleased to recommend the dividend of 1% i.e. Rs. 0.01/- per Share of face value Rs. 1/- for the year 2019-20, (Previous year 2018-19 @ 1% i.e. Rs. 0.01/- per share of face value of Rs. 1/- each.), subject to the approval of the shareholders at the ensuing Annual General Meeting. The Final Dividend, if declared, shall be distributed to the members within 30 days from the AGM.

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top five hundred listed entities based on market capitalization are required to formulate a Dividend Distribution Policy. However, your company has been classified by the stock exchanges as small cap and hence this regulation does not apply to the Company.

ABOUT COVID-19 LOCKDOWN

In the Last month of Financial Year 2019-20 the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lockdown of all economic activity. For the Company, the focus has immediately shifted to ensuring the health and well being of all employees, and on minimizing disruptions to services for all our customers globally. Regular production was suspended in the month of April and sometime in May, the Company produced Personal Protective Equipment (PPE) kits and masks during this time. Consequent to withdrawal of lockdown in phased manner, the company resumed operations with proactive planning and limited workforce at office and factory following proper health & safety guidelines in place. We are adhering to workplace safety guidelines issued by government to prevent the spread of such pandemic.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company has transferred all amounts of unclaimed dividend declared for the Financial Year 2006-07 to **"The Investors Education and Protection Fund"** established by the Central Government, during year 2014-15. There were no other amounts of unpaid dividends pending for transfer to such Fund in the year 2015-16 and 2016-17. Unclaimed Dividend for the financial year ended 31st March, 2012 and the corresponding Equity Shares of the Company in respect of which dividend entitlement remain unclaimed / unpaid for a period of seven (7) consecutive years will be due to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government on 2nd October,2019, pursuant to provisions of Section 124 of the Companies Act,2013 read with Investor Education and Protection Fund Authority(Accounting, Audit, Transfer & Refund) Rules, 2016. Further after year 2006-07, the Company has declared the dividends for the year **2014-15** @1% i.e. Rs. 0.1/- per equity share of the face value of Rs. 10/- each, then for the year **2015-16** again @ 1% i.e. 0.01 per equity share of face value of Rs. 1/- each, then for the year **2016-17** again @ 1% i.e. 0.01 per equity share of face value of Rs. 1/- each, then for the year **2017-18** again @ 1% i.e. 0.01 per equity share of face value of Rs. 1/- each and then for the year **2018-19** again @ 1% i.e. 0.01 per equity share of face value of Rs. 1/- each. Dividends that remain unclaimed / unpaid for a period of seven (7) years from the date on which they were declared, are required to be transferred to the Investor Education and Protection Fund.

TRANSFER TO RESERVES

The Company propose to transfer amount to the general reserves of the Company.

(INR LAKHS)

Particulars	Amount
Net Profit for the year	531.18
Balance of Reserves at the beginning of the year	3564.26
Share Premium Reserves	1559.75
General Reserves	288.05
Less: Appropriation of Profits	17.68
Balance of Reserves at the end of the Year	5925.56

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report. The requisite certificate from the Statutory Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report is given at the end of Directors' Report and forms part of this Report.

CAPITAL EXPENDITURE AND EXPANSION

As at 31st March,2020 the gross fixed assets stood at Rs93.68 Crores and net fixed assets Rs. 65.25 Crores. During the year under review, the Company undertook its third phase of expansion in dyeing and fabric processing unit by installing imported high technology fabric dyeing machines, fabric stenter , fabric compacter, slitopener ,Thermopack and Steam Generator. The Company also undertook implementation of UF Plant with a view to save water and make industry more environment friendly. The capital expenditure in the said expansion and modernization amounted to Rs. 19.76 Crores during the financial year 2019-20.

FINANCE

Fresh long term debt was raised during the year 2018-19 for third phase of expansion part of which was released during 2018-19 (Rs.1.60 cr) and balance Rs.12.80 cr during 2019-20 . However, existing term debts to the extent of **Rs.6.67 crores** were repaid. The Cash Credit Limits were availed to the extent of **Rs. 70.65 Crores** during Financial year 2019-20. The Company continues to key focus on judicious management of its working capital. receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

DIRECTORS AND KMPs

(i) Appointments

There were fresh/additional appointments to Board of Directors, during the financial year 2019-20, appointment of Mrs. Vibha Sharma as Independent Non-Executive Women Director of the Company w.e.f. 01st April,2019. Also, during the Board meeting held on 29.05.2019 the Board of Directors appointed Mr. Surinder Kumar Kapoor w.e.f. 01.06.2019 as additional Independent Director of the Company both of which were approved by the Shareholders in the 26th Annual General Meeting of the Company held on 28.09.2019.

Mr. Rajesh Kumar was appointed as the Additional Non Executive Director of the Company subject to the approval of the Shareholders of the Company w.e.f. 17.03.2020.

Mrs. Geetika Bhalla has also been appointed by the Board as Additional Independent Women Director of the Company w.e.f. 18.08.2020 subject to the approval of the Shareholders in the General Meeting.

(ii) Retirement by rotation

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri. Vikas Nayyar, Director, retires by rotation and is eligible for reappointment.

(iii) Resignations

Mr. Arun Kumar Oberoi resigned from the Independent Directorship of the Company w.e.f. 23.04.2019 due to his personal reasons. Also, Mrs. Vibha Sharma has resigned from the office of the Independent Director w.e.f. 15.02.2020.

(iv) Re-appointment

Mr. Vikas Nayyar will retire at the ensuing Annual General Meeting and being eligible, seek reappointment.
The present term of Mr. Nitin Bhandari, the Managing Director of the Company will expire on 21.11.2020. The Board of Directors have in their meeting held on 18.08.2020 as recommended by Nomination & Remuneration Committee has reappointed him as the Managing Director and further seeks approval of the Members to re-appoint him as the Managing Director of the Company for a period of 3 years w.e.f. 22.11.2020. The item seeking his re-appointment along with his detailed profile has been included in the notice convening the AGM. Your Directors recommend the resolution for your Approval.

(v) Declarations by Independent Directors
Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Reg 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Independent Directors of the Company have given declaration to the Company that they qualify the criteria of independence as required under the Act and the regulations.

(vi) Board Evaluation
The Board has carried out an annual evaluation of its own performance, the directors and also committees of the Board based on the guideline formulated by the Nomination & Remuneration Committee. Board composition, quality and timely flow of information, frequency of meetings, and level of participation in discussions were some of the parameters considered during the evaluation process. A note on the familiarizing programme adopted by the Company for the orientation and training of the Directors and the Board evaluation process undertaken in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the Corporate Governance Report which forms part of this Report.

Further, a Separate Meeting of the Independent Directors of the Company was held once during the year on 14.02.2020 which also reviewed the performance of the Non-executive directors, Chairman of the Company and performance of the Board as a whole.

(vii) Nomination & Remuneration Policy
The Board has, on the recommendation of the Nomination & Remuneration Committee, already framed a Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel. More details of the same are given in the Corporate Governance Report.

(viii) Board Meetings
During the year, 5 Board Meetings and 5 Audit Committee Meetings were convened and held. The details are given in the Corporate Governance Report. The intervening gap between the two Meetings was within the period prescribed under the Companies Act, 2013.

(ix) Key Managerial Personnel
During the year 2019-20, the Company had three Key Managerial Personnel viz. Mr. Nitin Bhandari, Chairman & Managing Director, Mr. Manoj Kumar, Chief Financial Officer and Mr. Arpit Jain, Company Secretary.

In compliance with Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, brief resume of all the Directors proposed to be appointed / re-appointed are attached along with the Notice to the ensuing Annual General Meeting.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS
The Company has not directly or indirectly - a) given any loan to any person or other body corporate other than usual advances envisaged for supply of materials if any, b) given any guarantee or provided security in connection with a loan to any other body corporate or person and c) acquired by way of subscription purchase or otherwise, the securities of any other body corporate. The details of loans from Banks/FIs/ Directors, as required are given in Financial Statements and Notes thereto.

DEPOSITS
Your company has not invited/ accepted deposits from public as envisaged under Sections 73 to 76 of Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

VIGIL MECHANISM/WHISTLE BLOWER POLICY
Pursuant to Section 177(9) of the Companies Act, 2013 and applicable provisions of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated and established a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.bhandariexport.com.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The information relating to conservation of energy, technology absorption and foreign exchange earnings & outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is Annexed herewith as **"Annexure - C"**.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm"s length basis and in the ordinary course of the business of the Company. All related party transactions are placed before the Audit Committee of the Board of Directors for its approval. Prior omnibus approval of the Audit Committee of the Board of Directors is obtained for the transactions, which are of foreseen and repetitive nature. A statement giving details of all related party transactions, entered pursuant to the omnibus approval so granted, is being placed before the Audit Committee of the Board of Directors for their review on a quarterly basis. During the year under reference, no Material Related Party Transactions were entered. All other related party transactions entered into by the Company were in ordinary course of business and were on an arm's length basis.. Hence the Company is not required to disclose details of the related party transactions in Form AOC – 2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. The policy on Materiality of and dealing with Related Party transactions as approved by the Board is uploaded on the Company's website i.e. www.bhandariexport.com.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

STATUTORY AUDITORS

M/s Krishan Goel & Associates , Chartered Accountants, Statutory Auditors of the Company, had been appointed as the Statutory Auditors of the Company in the 24th Annual General Meeting to hold office until the conclusion of 29th Annual General Meeting subject to ratification of their appointment in every Annual General Meeting. The Shareholders at the ensuing General Meeting will consider ratification of the appointment of the Statutory Auditor. The Auditor has confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI. There are no qualifications or reservation or remarks made by the Auditors in their Report.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s **Rajeev Bhambri & Associates, Company Secretaries**, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. Secretarial Audit Report as per Section 204 of Companies Act 2013 is placed as **Annexure - A** to this report. No adverse comments have been made in the said report by the Practicing Company Secretary.

COST AUDITORS

Pursuant to Section 148(1) of the Companies Act,2013 the Company is required to maintain the Cost Accounts of the Company and further, the Board of Directors, on the recommendation of Audit Committee as per new Rules of the Companies Act, 2013 the Company does not fall under the mandatory requirement for conducting cost audit. Therefore, this year the Board has not appointed the Cost Auditor in the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 31, 2020 AND DATE OF THE REPORT.

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of the Report.

AUDITORS' REPORT

The Auditors' Report is self-explanatory and do not call for further comments as there are no adverse remarks in the Auditors' Report.

APPOINTMENT OF SECRETARIAL AUDITOR AND INTERNAL AUDITOR

The Company has in accordance with the applicable provisions of the Companies Act, 2013, appointed M/s Rajeev Bhambri & Associates, Practicing Company Secretary (C.P. No. 9491), Ludhiana Secretarial Auditors. The Company has appointed M/s Vipan Kumar & Associates., Chartered Accountants, (Membership No. 081198, Firm Registration No. 007245N) as the Internal Auditors.

LISTING OF SECURITIES

At present, the securities of the Company are listed on BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid the Listing Fees to the BSE and NSE upto the financial year 2019-20.

INDUSTRIAL RELATIONS

The industrial relations remained very cordial and responsive during the year under review.

DISCLOSURE OF COMPLAINTS OF SEXUAL HARRASMENT, CHILD LABOUR ETC.

Considering gender equality, the Company has zero tolerance for sexual harassment at workplace. The Company has an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The following is a summary of sexual harassment complaints received and disposed off during the year 2019-20:

Sr.	Category	No. of complaints during financial year 2019-20	No. of complaints pending as at end of year 2019-20
1	Child labour/forced labour/involuntary labour	The Company does not hire Child Labour, Forced Labour or Involuntary Labour. **No case reported**	Not Applicable
2	Sexual Harassment	**No case reported**	Not applicable
3	Discriminatory employment	**No case reported**	Not applicable

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per the Audited Financial Statements of the Company for the year 2015-16, the provisions of Section 135, read with Schedule VII and Companies (Corporate Social Responsibility) Rules, 2014 of the Companies Act, 2013, has become applicable to the Company. So in accordance with the provisions of Section 135 of the Companies Act, 2013 read with schedule VII of the Said Act and further read Companies (Corporate Social Responsibility) Rules, 2014, "Corporate Social Responsibility Committee" had been constituted w.e.f. 28.05.2016 consisting of following persons as Members/ Chairman :

SR.	NAME OF THE DIRECTOR	DESIGNATION
1	MR. NITIN BHANDARI (CHAIRMAN & MG. DIRECTOR)	CHAIRMAN
2	MR. VIKAS NAYAR (DIRECTOR)	MEMBER
3	MR SURINDER KUMAR KAPOOR (INDEPENDENT DIRECTOR)*	MEMBER W.E.F. 01.06.2019

During the year 2019-20, the Company had identified certain projects/activities on which the CSR expenditure for the financial year 2019-20 was made. The activities included promoting health care including preventive health care, facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups, animal welfare etc. Details about the CSR policy and initiatives taken by the Company during the year are available on your company's website www.bhandariexport.com. The Report on CSR activities is given in **Annexure-E** forming part of this Report.

CERTIFICATIONS

The Company has an innate desire and zeal to contribute towards the welfare and social upliftment of the community. The Company continues to abide by its general Social Responsibility and maintain following certifications:

BSCI (Business Social Compliance Initiative) CERTIFICATION

The Company heading towards good Corporate Social Responsibility, also have s BSCI (Business Social Compliance Initiative) Certification. European retail companies and associations have developed a common monitoring system simplifying and standardizing the requirements and individual monitoring procedures. The BSCI is based on the labour standards of the International Labour Organization (ILO) and other important international regulations like the UN Charta for Human Rights, as well as on national regulations. The Initiative aims at continuously improving the social performance of suppliers, leading to Best Practice like SA8000 certification or equivalents and thus sustainably enhancing working conditions in factories worldwide. The Certification achieved by the Company in the true sense reflects the true spirit of the Company in improving working conditions, social health, safety, welfare and good Corporate practices. Besides the company would be able to get the confidence of EU based customers by ensuring good social compliance.

GOTS CERTIFICATION

Bhandari Hosiery Exports Limited is certified for compliance to GOTS, the worldwide leading textile processing standard for organic fibres, including ecological and social criteria, backed up by independent certification. It ensures organic status of textiles, from harvesting of the raw materials, through environmentally and socially responsible manufacturing up to labelling in order to provide a credible

assurance to the end consumer. This certification enables Bhandari Hosiery Exports Limited to supply certified organic garments to customers worldwide.

SUBSIDIARY COMPANY/ASSOCIATE COMPANY/JOINT VENTURE

There is no Subsidiary /Associate Company of the Company.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "**Annexure - D**".

GRATUITY

The provision for gratuity has been made as provided under the Payment of Gratuity Act.

PARTICULARS OF THE EMPLOYEES

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring particulars of the employees in receipt of remuneration in excess of Rs. 8.5 lacs per month or Rs. 1.02 Crores per year to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of the these specified amounts. So this information is NIL.

The information and other details required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in the Statement annexed herewith at "**Annexure- B**".

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has designed and implemented a process driven framework for Internal Financial Controls. For the year ended on March 31, 2020, the Board is of the opinion that the Company has sound Internal Financial Controls commensurate with the size, scale and complexity of its business operations. During the year, such controls were tested and no material weakness in their operating effectiveness was observed. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/ or improved controls whenever the effect of such gaps would have a material effect on the Company's operations.

CAUTIONARY STATEMENT

Statements in this report, describing the Company's objectives, expectations and/or anticipations may be forward looking within the meaning of applicable Securities Law and Regulations. Actual results may differ materially from those stated in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, availability of inputs and their prices, changes in the Government policies, regulations, tax laws, economic developments within the country and outside and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of the forward-looking statements, which may undergo changes in future on the basis of subsequent developments, information or events.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, in terms of the Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that :

a) in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable Indian accounting standards had been followed and there were no material departures;
b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as at March 31, 2019 and of the profit and loss of the company for that period;
c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
d) the directors had prepared the annual accounts on a going concern basis;
e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION REGARDING CODE OF CONDUCT

Directors, Key Managerial Personnel and senior management of the Company have confirmed compliance with the Code of Conduct applicable to the Directors and employees of the Company and the declaration in this regard made by the Mg. Director & Chairman of the Company forms part of this Annual Report. The said code is available at the Company's website i.e. www.bhandariexport.com.

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the continued assistance and co-operation extended to the Company by the Government of India, Government of Punjab, State Bank of India, South Indian Bank, HDFC Bank and Andhra Bank, the large family of shareholders, business associates/customers/buyers, the dedicated employees and all other business constituents, who are continuing to assist your Company.

For and on behalf of the Board of Directors

Sd/-
(Nitin Bhandari)
Chairman & Managing Director

Place : Ludhiana
Date : 18.08.2020

"ANNEXURE-A" TO THE DIRECTORS' REPORT"

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Bhandari Hosiery Exports Limited
Bhandari House, Village Meharban, Rahon Road
Ludhiana-141007 (Pb.).

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, to the extent applicable and according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):—

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  (b) SEBI (Prohibition of Insider Trading) Regulations, 1992 and SEBI (Prohibition of Insider Trading) Regulations, 2015;
  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time
  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with laws relating to, inter alia:

- All labour & industrial laws;
- The Competition Act, 2012;
- All environmental laws;
- Textiles (Consumer Protection) Regulations, 1988;
- Textiles (Development and Regulation) Order, 2001;
- Textiles Committee Act, 1963;
- Additional Duties of Excise (Textiles and Textiles Articles) Act, 1978.
- Indian Boilers Act, 1923

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India to the extent of its applicability.
(ii) The Listing Agreement entered into by the Company with the BSE Limited and NSE read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Sd/-
Rajeev Bhambri & Associates
Company Secretary in whole time practice
C.P. No. 9491
Place: Ludhiana
Dated: 11.07.2020

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE 1' and forms an integral part of this Report.

'ANNEXURE 1'

The Members,
Bhandari Hosiery Exports Limited
Bhandari House, Village Moharban, Rahon Road
Ludhiana-141007 (Pb.).

Our report of even date is to be read along with this letter.

1. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as we have relied upon the Audit done by Statutory Auditors as required under Companies Act, 2013.
3. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-

Rajeev Bhambri & Associates
Company Secretary in whole time practice
C.P. No. 9491
Place: Ludhiana
Dated: 11.07.2020



"ANNEXURE -B" TO BOARD'S REPORT

I. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

Name	Ratio
Mr. Nitin Bhandari (Chairman & Managing Director)	10.4:1
Other Directors (Non Executive and Independents) (Only Sitting Fee paid)	N.A.
Mr. Arpit Jain (Company Secretary)	2.21:1
Mr. Manoj Kumar (CFO)	3.02:1

For this purpose, sitting fees paid to the directors has not been considered as remuneration. Non-executive/ Independent Directors are entitled only to sitting fee. The details of remuneration/sitting fee paid are given in Form MGT-9/ Corporate Governance Report.

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Designation	% Increase
Mr. Nitin Bhandari	Chairman & Managing Director	200.00
Mr. Manoj Kumar	Chief Financial Officer	15.90
Mr.Arpit Jain	Company Secretary	10.00

3. Percentage increase/(decrease) in the median remuneration of employees in the financial year: 26.5%.
4. The number of permanent employees on the rolls of company: 356
5. Average percentile increase/decrease already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year was 12.11%. There was increase in remuneration of KMP during the financial year 2019-20 of Mr. Manoj Kumar, CFO of the Company which was increased by 15.90% and Company Secretary Mr. Arpit Jain, Company Secretary of the Company which was increased by 10.00%. The overall increase in the remuneration of KMP was 11.50% as compared to previous year. During the year 2019-20, the turnover of the company was Rs. 27743.01 Lacs as against Rs. 26,626.20 Lacs in the previous year, showing an increase of 4.14% over the previous year. The Profits after Tax of the Company for the year ended 31.03.2020 has been Rs.531.18 Lacs as against Rs. 535.54 Lacs in the previous year showing the decrease in profit of 1.00% over the previous year.

Average increase in remuneration for employees other than Managerial Personnel is in line with the Industry peers and is also outcome of market competitiveness.

6. It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

II. INFORMATION AS PER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) Details of top ten employee drawing remuneration pursuant to the provisions of Rule, 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

SR. NO.	NAME OF EMPLOYEE	DESIGNATION	GROSS REMUNE-RATION PAID (RS.)	NATURE OF EMPLOY-MENT	QUALI-FICATION	AGE	EXPE-RIENCE	DATE OF COMMENC-EMENT	LAST EMPLOY-MENT	% OF EQUITY SAHRES
1	NITIN BHANDARI*	MG. DIRECTOR	3120000	PERMANENT	MBA, LONDON	37	14	23.11.2009	-	17.18
2	ADITI BHANDARI**	VICE PRESIDENT-MARKETING	1140000	PERMANENT	MBA	37	14	28.09.2011	-	NIL
3	KUSUM BHANDARI***	CHIEF MERCHANDISER	888000	PERMANENT	BA	70	35	27.09.2002	-	1.73
4	HIMANSHU SHARMA	FABRIC DYEING & PROCESSING	1255000	PERMANENT	BA	34	16	04.02.2015	Richa Industries Ltd.	NIL
5	BODH RAJ	ENGINEER	480000	PERMANENT	ITI	49	30	10.06.2013	Oswal Apparels Pvt. Limited	NIL
6	AJAY SHARMA	EXPORTS SECTION HEAD	462980	PERMANENT	B.COM	35	13	15.07.2016	Eastman Caste and forge Limited	NIL
7	ARPIT JAIN	COMPANY SECRETARY	464284	PERMANENT	MBA, ACS	29	5	23.04.2018	Lws Knitwears Limited	NIL
8	MANOJ KUMAR	CFO	619032	PERMANENT	B.COM	44	21	05.09.2013	Deepak Builders	NIL
9	VINOD KUMAR	MARKETING MANAGER	444500	PERMANENT	B.SC	42	18	01.06.2017	K D EXPORTS	NIL
10	VIRENDER CHAUDHARY	FABRIC DIVISION HEAD	935000	PERMANENT	SR. SEC.	47	27	01.07.2010	Jain Udhay Fabrics Ltd.	NIL
11.	ABSAR ALAM	Q.C. DEPTT	720000	PERMANENT	BA(ENG)	45	15	11.06.2019	MONTE CARLO	NIL

Relationship with Directors

* Mr. Nitin Bhandari is Managing Director of the Company

** Ms. Aditi Bhandari is wife of Mr. Nitin Bhandari, Mg. Director

***Ms. Kusum Bhandari is mother of Mr. Nitin Bhandari, Mg. Director

Except as above, none of the other afore-said employees is related to any director or manager of the Company.

(ii) None of the employee who were employed throughout the financial year 2019-20, was in receipt of remuneration for that year which in the aggregate, was not less than one crore and two lakh rupees;

(iii) None of the employee employed for a part of the financial year 2019-20, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month ;

(iv) None of the employee employed throughout the financial year 2019-20 or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager.

For and on behalf of the Board of Directors

Sd/-
(Nitin Bhandari)
Chairman & Managing Director

Date: 18.08.2020
Place: Ludhiana

"ANNEXURE- C" TO BOARD'S REPORT

STATEMENT CONTAINING PARTICULARS PURSUANT TO SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

1 . CONSERVATION OF ENERGY

(a) Energy conservation has been an important thrust area for the Company and is continuously monitored. The adoption of energy conservation measures has helped the Company in reduction of cost and reduced machine down-time.

(b) Energy conservation is an ongoing process and new areas are continuously identified and suitable investments are made, wherever necessary.

(c) Various on-going measures for conservation of energy include (i) use of energy efficient lighting and better use of natural lighting, (ii) reduction of energy loss, and (iii) replacement of outdated energy intensive equipment.

The company provides high priority to energy conservation schemes to conserve natural resources and is regularly taking effective steps to conserve energy wherever possible. This continues to remain thrust area with studies, discussions and analysis being undertaken regularly for further improvements. The Company has given due attention towards conservation of energy. It not only reduces the cost of production but also helps in conservation of natural resources which are depleting very fast.

The Company is constantly looking for savings of energy and trying to conserve energy continuously by modifications or trying alternate means and continuously upgrading technology and work practices. Steps are being taken to conserve energy on a continuous basis. Besides continuing the measures taken in earlier years, following steps were taken during the year 2019-20 with a view to reduce the cost of energy and consequently the cost of production.

Conservation measures taken, proposed measures being implemented for reduction of consumption of energy and consequent impact thereof for the year 2019-20:

Measures taken	Saving amount (Rs. In Lacs)	Energy Savings 2019-20 (Units in Lacs)
• Installation of energy efficient light fittings. • Replacement of old & re-wound motors with Energy Efficient Motors • Replacement of de-rated & defective Capacitors, • Optimizing Power Factor • Optimizing Water usage in dyeing and reducing load on ETP and power usage. • Use of Inverters and AC Drives in Unit .	10.45	1.47

(d) Total energy consumption and energy consumption per unit of production is given in the table below:

				2019-20	2018-19
1	ELECTRICITY				
	a	PURCHASED UNITS		3,490,982	3,112,712
		Total Amount		25,505,115	23,128,321
		Rate per unit		7.30	7.43
	b	OWN GENERATION THROUGH DIESEL GENERATOR(S)			
		Units produced	KWH	254500	339,100
		Unit per litre of Diesel	KWH	2.61	4.14
		Total Diesel consumed	LTR	97088	102,332
		Diesel cost	Rs	7892510	7,167,586
		Cost per unit of KWH	Rs/ Kwh	31.01	21.13
2		COAL		Nil	Nil
3		FURNANCE OIL		Nil	Nil
4		OTHER INTERNAL GENERATION		Nil	Nil
5	a	HUSK FOR STEAM	Rs.	37,707,096.05	36,844,652
	b	HUSK FOR STEAM Kg	KG.	8,350,144	7, 664,890
		Rate Per Kg		4.52	4.80
6	a	DIESEL FOR STEAM (Ltrs)		375000	344,100
	b	Rate per Ltr (Rs.)		65.77	55.88
		Consumption / unit production			
		Production of garments (Pieces)		Nil	Nil
		Electricity Consumed	Kwh/pc	Nil	Nil
		Husk Consumed	Kg/pc	Nil	Nil

2 RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION

Technology absorption, Innovation and Research & Development (R & D) is a continuing Process and a continued emphasis is given on quality improvement and product upgradation.

1. Specific areas in which R & D activities were carried out by the Company:
   -Quality Improvement
   -Yield/Productivity Improvement
   -Energy Conservation
   -New Technology/Product development

2. Benefits Derived
   -Better Quality; reduced wastages
   -Cleaner environment
   -Safer oporations and improved competitiveness

3. Future Plan of Action
   Management is committed to strengthen R & D activities for product development as per requirements and to improve its competitiveness in the times to come.

4. Expenditure on R & D
   a) Capital : Nil b) Recurring : Nil Total : Nil

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company has not imported any technology from abroad. However the company has been using the imported machinery. The Company has been making efforts for absorption of latest technology. Your Company has the modern and the state of art technology for the manufacture/fabrication of garments. The Company has necessary research and quality control facilities.

BENEFITS DERIVED

The Company has achieved improvement in quality and lower cost of production.

(3) PARTICULARS OF FOREIGN EXCHANGE EARNING AND OUTGO (RS. IN LACS)

Activities relating to export, initiatives taken to increase exports, development of new export market for products and services and export plans are given hereunder:

- The sale of more environment friendly products has increased.
- The Company has explored new markets and buyers and is going good with recently obtained buyers.
- Targeting growth in the next financial year.

The Company has continued to maintain focus and avail of export opportunities based on economic considerations. There have been concentrated efforts to maintain and improve exports performance and to meet the need of end users.

The Management has laid continuous thrust for exploring new markets and as a result, the Company was also able find some new foreign customers. The position of Foreign Exchange earnings and Outgo for the financial year 2019-20 is as under:

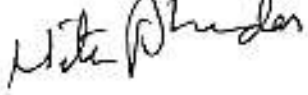
FOREIGN EXCHANGE EARNING AND OUTGO (RS. IN LACS)

Sr.	Particulars	2019-20	2018-19
a.	Foreign Exchange Earnings (FOB value of Exports, commission earned)	1377.91	719.20
b.	Foreign Exchange Outgo (CIF value of Imports and expenditure in foreign currency)	55.25	44.27

For and on behalf of the Board of Directors

Place : Ludhiana
Date : 18.08.2020

Sd/-
(Nitin Bhandari)
Chairman & Managing Director



"ANNEXURE –D" TO BOARD'S REPORT

EXTRACT OF ANNUAL RETURN
[Pursuant to Section 92(3) of the Companies Act 2013, and Rule 12(1) of the Companies (Management and Administration Rules, 2014)]

FORM NO MGT -9

I. Registration and Other Details

CIN	L17115PB1993PLC013930
Registration Date	25.11.1993
Name of the Company	BHANDARI HOSIERY EXPORTS LIMITED
Category/Sub- category of the Company	Company limited by shares / Non Government company
Address of the Registered Office and Contact Details	Bhandari House, Village Meharban, Rahon Road, Ludhiana-141007 PUNJAB INDIA
Whether Listed	Yes (LISTED AT BSE AND NSE)
Name, address and contact details of Registrar and Transfer Agents, If any	M/S LINK INTIME INDIA PVT LTD., Noble Heights, 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 EMAIL: DELHI@LINKINTIME.CO.IN, PHONES: 011- 41410592-94, FAX: 011- 41410591

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :
All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Fabrics	2850	71.70
2	Knitted Hosiery Garments	2850	18.30

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES :

Sl No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NIL					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)*

(I) Category - Wise Shareholding as of 31st March, 2020.

Sr No	Category of Shareholders	Shareholding at the beginning of year (Each of Face Value of Rs. 1/- each)				Shareholding at the end of year (Each of Face value of Rs. 1/- each)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	36501800	0	36501800	24.9113	36501800	0	36501800	24.9113	0.0000
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Sub Total (A)(1)	36502142	0	36502142	24.9116	36501800	0	36501800	24.9113	-0.0003
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	51332	0	51332	0.0350	51332	0	51332	0.0350	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	51332	0	51332	0.0350	51332	0	51332	0.0350	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	36553132	0	36553132	24.9464	36553132	0	36553132	24.9464	0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	398194	0	398194	0.2718	398194	0	398194	0.2718	0.0000
(f)	Financial Institutions / Banks	10800	0	10800	0.0074	12635	0	12635	0.0086	0.0012
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	408994	0	408994	0.2791	410829	0	410829	0.2804	0.0012
[2]	Central Government/ State									

	Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	46728733	3768250	50516983	34.4762	45548148	3679600	49227748	33.5954	-0.8798
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	47441538	0	47441538	32.3773	49764499	0	49764499	33.9627	1.5854
(b)	NBFCs registered with RBI	9000	0	9000	0.0061	0	0	0	0.0000	-0.0061
(c)	Employee Trusts	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Hindu Undivided Family	3606969	0	3606969	2.4616	3853084	0	3853084	2.6296	0.1680
	Non Resident Indians (Non Repat)	408656	0	408656	0.2789	414036	0	414036	0.2826	0.0037
	Non Resident Indians (Repat)	4040278	0	4040278	2.7574	4686759	0	4686759	3.1986	0.4412
	Clearing Member	719618	0	719618	0.4911	148812	0	148812	0.1016	-0.3895
	Bodies Corporate	2467782	354000	2821782	1.9258	1122151	345900	1468051	1.0019	-0.9239
	Sub Total (B)(3)	105422574	4142250	109564824	74.7745	105537469	4025500	109562989	74.7733	-0.0012
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	105831568	4142250	109973818	75.0536	105946318	4025500	109973818	75.0536	0.0000
	Total (A)+(B)	142384700	4142250	146526950	100.00	142501450	4025500	146526950	100.0000	0.0000
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	142384700	4142250	146526950	100.0000	142501450	4025500	146526950	100.0000	

ii) Shareholding of Promoters*

S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares of face value of Rs. 1/- each.	% of total Shares of the Company	% of shares Pledged/ encumbered to total Shares	No. of Shares of face value of Rs. 1/- each.	% of total Shares of the Company	% of shares Pledged/ encumbered to total Shares	
1	NARESH BHANDARI	6750	0.004	0	6750	0.004	0	0.000
2	NITIKA BHANDARI	8676062	5.9211	0	8676062	5.9211	0	0.000
3	SURESH K BHANDARI	51332	0.035	0	51332	0.035	0	0.000
4	NITIN BHANDARI	25178300	17.183	0	25178300	17.183	0	0.000
5	KUSUM BHANDARI	2637338	1.799	0	2637338	1.799	0	0.000
6	ANKIT BHANDARI	0	0.0000	0	0	0.0000	0	0.000
7	SHIVA BHANDARI	1675	0.0011	0	1675	0.0011	0	0.000
8	MAMTA BHANDARI	1675	0.0011	0	1675	0.0011	0	0.000
	TOTAL	36553132	24.9464	0	36553132	24.9464	0	0.000

iii) Change in Promoters Shareholding (please specify, if there is no change)

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the company	No. of shares	% of total Shares of the company
	At the beginning of the year*	36553132	24.9464		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (Reason for Increase was Transfer of Shares)	Nil	Nil	Nil	nil
	At the end of the year			36553132	24.94

Sr No.		Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
	Name & Type of Transaction	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	NITIN BHANDARI	25178300	17.1834				17.1834
	AT THE END OF THE YEAR					25178300	17.1834
2	NITIKA BHANDARI	8676062	5.9211			8676062	5.9211
	AT THE END OF THE YEAR					8676062	5.9211
3	KUSUM BHANDARI	2637338	1.7999			2637338	1.7999
	AT THE END OF THE YEAR					2637338	1.7999
4	SURESH K BHANDARI	51332	0.0350			51332	0.0350
	AT THE END OF THE					51332	0.0350

	YEAR						
5	NARESH BHANDARI	6750	0.0046			6750	0.0046
	AT THE END OF THE YEAR					6750	0.0046
6	ANKIT BHANDARI	0	0.0000			0	0.0000
	AT THE END OF THE YEAR					0	0.0000
7	SHIVA BHANDARI	1675	0.0000			0	0.0000
	AT THE END OF THE YEAR					1675	0.0011
8	MAMTA BHANDARI	1675	0.0000			0	0.0000
	AT THE END OF THE YEAR					1675	0.0011
	TOTALS	36553132	24.9464			36553132	24.9464

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

Sr No.		Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
	NAME & TYPE OF TRANSACTION	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	GEETA RADHAKRISHNA DESAI	4783560	3.2646			4783560	3.2646
	AT THE END OF THE YEAR					4783560	3.2646
2	VASUDHA GURUDAS DESAI	4414990	3.0131			4414990	3.0131
	AT THE END OF THE YEAR					4414990	3.0131
3	SHYAM ABHAY JASANI	4000000	2.7299			4000000	2.7299
	AT THE END OF THE YEAR					4000000	2.7299
4	GURUDAS SABAJI DESAI	3303550	2.2546			3303550	2.2546
	AT THE END OF THE YEAR					3303550	2.2546
5	RADHAKRISHNA SABAJI DESAI	3303540	2.2546			3303540	2.2546
	AT THE END OF THE YEAR					3303540	2.2546
6	MEENA SHETH	4600000	3.1394			4600000	3.1394
	AT THE END OF THE YEAR					4600000	3.1394
7	ALKA MITTAL	2500000	1.7062			2500000	1.7062
	AT THE END OF THE YEAR					2500000	1.7062
8.	RAJEEV	2145000	1.4639			2145000	1.4639

	MITTAL						
	AT THE END OF THE YEAR					2145000	1.4639
9	POORVI ALPESH JHAVERI	2000000	1.3649			2000000	1.3649
	AT THE END OF THE YEAR					2000000	1.3649
10	ALKESH M GOPANI	1600000	1.0919			1600000	1.0919
	AT THE END OF THE YEAR					1600000	1.0919

v) **Shareholding of Directors and Key Managerial Personnel***

S. No.	Managing Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1.	Mr. Nitin Bhandari Chairman & Managing Director	No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	At the beginning of the year	25178300	17.183	25178300	17.183
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.)				
	Nil/ no transactions during financial year 2019-20				
	Bal. At the end of the year			25178300	17.183

S. No.	Other Directors	Shareholding at the beginning of the year—NIL/NA**		Cumulative Shareholding during the year	
2 to 4	2.Mr. Vikas Nayar - Director 3. Mr. Surinder Kumar Kapoor -Independent Director 4. Ms. Vibha Sharma -Independent Director	No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	At the beginning of the year	—	—	—	—
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.)	—	—	—	—
	At the end of the year --NIL/NA*	—	—	—	—

S. No	Chief Financial Officer	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
5	Mr. Manoj Kumar (Chief Financial Officer)	No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	At the beginning of the year	—	—	—	—

	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.)	—	—	—	—
	At the end of the year	—	—	—	—

S. No	Company Secretary	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
6	**Mr. Arpit Jain** (appointed w.e.f. 23.04.2019)	No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
	At the beginning of the year	—	—	—	—
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat	—	—	—	—
	At the end of the year	—	—	—	—

NOTES:

- None of the Directors have bought/sold/owned any shares in the Company during year 2019-20.

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amt. In Rs)

Particulars	Secured loans excluding Deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the year				
i) Principal Amount	833,980,216	87,400,000	0	921,380,216
ii) Interest due but not paid	1,231,916	0	0	1,231,916
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**835,212,132**	**87,400,000**	**0**	**922,612,132**
Change in Indebtedness During the financial year				
Addition	328,820,959	3,500,000	0	332,320,959
Reduction	149,394,500	0	0	149,394,500
Net Change	179,426,459	3,500,000	0	182,926,459
Indebtedness at the end of the financial year				
i) Principal Amount	1,014,638,591	90,900,000	0	1,105,538,591
ii) Interest due but not paid	6,270,183	0	0	6,270,183
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**1,020,908,774**	**90,900,000**	**0**	**1,111,808,774**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL			
A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTOR AND / OR MANAGER:			(AMT. IN RS.)
Sr. No.	Particulars of Remuneration	Name of Managing Director /Whole - Time Direct	
		MR. NITIN BHNADARI, CHAIRMAN & MG. DIRECTOR	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	31,20,000/- - -	
2.	Stock Option	-	
3.	Sweat Equity	-	
4.	Commission - as % of profit - others, specify...	-	
5.	Others, please specify	-	
	Total (A)	31,20,000/-	
	Overall Ceiling as per the Act	5% of Net Profits or Rs. 6000000/- whichever is higher.	

B. REMUNERATION TO OTHER DIRECTORS:

Sr No.	Particulars of Remuneration	MR. SURINDER KUMAR KAPOOR	MS. VIBHA SHARMA	MR. VIKAS NAYAR	AMOUNT (IN Rs.)
	CATEGORY OF DIRECTOR	INDEPENDENT	INDEPENDENT	NON-EXECUTIVE	
1	Independent Directors				
	1.Fee for attending board / committee meetings	20000	15000	NIL	35000
	2. Commission	NIL	NIL	NIL	NIL
	3.Others, please specify*	NIL	NIL	NIL	NIL
	Total (1)	20000	15000	NIL	35000
2	Other Non-Executive Directors		N.A.		
	1.Fee for attending board / committee meetings		N.A.	20000	20000
	2. Commission	NIL	NIL	NIL	NIL
	3.Others, please specify*	NIL	NIL	NIL	NIL
	Total (2)		N.A.	20000	20000
	Total (B)=(1+2)				55000
	Total Managerial Remuneration	(A+B)			31,75,000

N. K. Bhandari

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER /WTD

(Amount in RS.)

Sr No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total
		MR. *ARPIT JAIN* (Company Secretary)	MR. MANOJ KUMAR (C.F.O)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	464284	619032	1083316
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Options	-	-	-
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total	464284	619032	1083316

VII. PENALITIES /PUNISHMENT / COMPOUNDING OF OFFENCES

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

ANNEXURE- E

CORPORATE SOCIAL RESPONISBILITY

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

1. A brief outline of the Company' s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

i. The objective of the company is to contribute to the social, health related, economic development of the communities, animal welfare, sports and education, so as to promote sustained growth for the society and community and in particulars take up the activities as included in Schedule VII of the Companies Act, 2013.

ii. The CSR Committee will facilitate the Annual CSR action plan containing the clear terms of reference outlining the key tasks, duration of assignment, allocation of budget for different projects, method of implementation and review. The CSR budget shall be according to Companies Act, 2013.

iii. Money unutilized, if any, in the previous year will be carried forward and included in the budget for the next year. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

iv. Project activities identified under CSR are to be implemented by agencies, which would include- Voluntary Organizations (VOs) formal or informal Elected local bodies such as Panchayats, Instituites/Academics Institutions, Trusts, Hospitals, Self Help Groups, Govt./Semi Govt./Autonomous Organizations, Mahila Mandals, Professional Consultancy Organizations etc.

v. The Corporate Social Responsibility activities undertaken by the Company will be monitored by the Corporate Social Responsibility Committee duly constituted by the Board. The committee will be responsible to institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company.

During the year 2019-20, the Company had identified certain projects/activities on which the CSR expenditure for the financial year 2019-20 was made. The activities included promoting health care including preventive health care, facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups, animal welfare etc.

2. <u>COMPOSITION OF THE CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:</u>

SR.	NAME OF THE DIRECTOR	DESIGNATION
1	MR. NITIN BHANDARI (CHAIRMAN & MG. DIRECTOR)	CHAIRMAN
2	MR. SURINDER KUMAR KAPOOR (INDEPENDENT DIRECTOR)	MEMBER*
3	MR. VIKAS NAYAR (DIRECTOR)	MEMBER

*Manmeet Sikka retired from the office w.e.f. 01.04.2019 and Mr. Surinder Kumar Kapoor was appointed as the member w.e.f. 18.11.2019

3. Average net profit of the company for last three financial years (Figures in lacs) : Rs. 604.89 Lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)
(Two per cent of Rs.604.89 Lakhs): Rs. 12.09 Lakhs
Unspent amount from previous year: Rs 11.51 Lakhs
The Company is required to spend Rs. 23. 51 Lakhs towards CSR.

5. Details of CSR spent during the financial year.
(a) Total amount spent for the financial year; Rs. 25.00 Lakhs
(b) Amount unspent, if any ; Rs 0.00 Lakhs
(c) Manner in which the amount spent during the financial year:: N.A.

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs. In Lakhs)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) (Rs. In Lakhs)	Cumulative expenditure upto to the reporting period (Rs. In Lakhs)	Amount spent : Direct or through implementing agency*
1	*Skill development projects, Education of Children (Construction & Establishment of Sun-City School)*	Education	Haryana	25.00	25.00	25.00	Mayawati Amarnath Trust

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

7. The CSR Committee do hereby undertakes that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-
NITIN BHANDARI
(CHAIRMAN- CSR COMMITTEE)
MG. DIRECTOR & CEO
DIN-01385065

SD/-
VIKAS NAYAR
(MEMBER- CSR COMMITTEE)
DIRECTOR
DIN- 00071047

PLACE: LUDHIANA
DATE: 18.08.2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Readers are cautioned that this discussion and analysis contains forward looking statements that involve risks and uncertainties. The Company undertakes no obligation to publicly update or revise any forward looking statements whether as a result of new information, future events or otherwise. Actual results, performance or achievements and risks and opportunities could differ materially from those expressed or implied in these statements. Readers are cautioned not to place undue reliance on these statements that speak only as of their date. The following discussion and analysis should be read in conjunction with the Company s financial statement included herein and notes thereto.

a. INDUSTRY STRUCTURE AND FUTURE OUTLOOK/ DEVELOPMENTS

The Indian Textile Industry is one of the leading textile industries in the world. The textiles and apparels sector is a major contributor to the Indian economy in terms of gross domestic product (GDP), industrial production and the country s total export earnings. India earns about 27 percent of its total foreign exchange through textile exports. Besides, the Indian Textile industry contributes 14 per cent of the total industrial production of the Country. This sector provides employment to over 45 million people and it is expected that the textile industry will generate 3.5 million new jobs during the ensuing years. The industry went through a challenging year with the global sluggishness in world economies.

The cotton yarns and fabrics constitute for about 23 percent of India's Textile and Apparel Exports. India has been able to face the global economic downturn better than most other countries. India s textile industry has a pervasive effect on its economic life. The Indian textile industry uses a large and diverse range of fibres and yarn, however, cotton is its major input material. Therefore, cotton availability and prices are a major determinant of production efficiency and profitability of textile units. Though the global economy seem to be coming out of the crisis, recovery may be unsteady for a while. The Continuous improvement and investment in weaving and processing will help to meet the demand of quality textiles, which will give an edge to the Indian textile industry over competitors. Upgrading technology and infrastructure is an ongoing process and, with the added support of Government bodies it should boost the Indian textile further.

The Textile industry holds a significant position in India by catering to the most basic needs – clothing. The Indian textiles industry is integrated in terms of being extensively engaged in the procurement of raw materials right up to the final production of the actual textile product.

The Indian Textile Market has always played the major role in the Indian Economy as it contribute 14% to the Industrial Production and 5% to GDP. At present the size of the Indian Textile Market is around USD 150 billion and is expected to reach USD 245 Billion by 2025. The textiles sector is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of India's economy.

During the entire fiscal of 2019-20, India's RMG export world were $15.49 billion, recording a decline of 4.03% over a year ago period. The industry is taking all steps to promote textile exports, which is the need of the hour. Costs are increasing due to rising input costs, including labour and power. The fall in the Rupee against the US dollar should act positively for promotion of exports. Focus on new product development and value added products is continuing in this segment. Also during the last quarter the Pandemic COVID-19 has affected the world trade rigorously. The last month of March 2020 has recorded a steep fall in RMG export of India which is 34.91% less than the export of RMG during the same month in the previous year. The un-precedent lockdowns due to COVID-19 in various parts of the world had lead to cancellation or deferment of various exports orders. The orders in process were also left in stock during the month of March 2020 as our Indian Government has also enforced lockdown during the second half of March 2020.

As regards Indian economy, the Indian economy GDP grew at 5 per cent in 2019-20 and have been majorly affected by the COVID-19 pandemic which has affected all over the world economy. The economy was running smooth till the month of December 2019. The COVID-19 enforced lockdowns has affected the demand of consumers. Even after closing of the financial year 2019-20 the Pandemic COVID-19 lockdowns are still affecting the sales. The pandemic has undoubtedly affected India, but with the right economic stimulus and the gradual opening up of the lockdown the situation can be expected to improve.

Readymade garments were amongst the largest contributor to total textile and apparel exports from India. The Ministry of Textiles is encouraging investments through increasing focus on schemes such as

Technology Up-gradation Fund Scheme (TUFS) and other such schemes. The government has been introducing the new textile policy in the next FY19.

As the Indian Government too, has over the last few months taken some action to revive industrial growth, encourage fresh investment and committed to reforms for industry, our economy in the coming years should regain a trajectory of high growth.

Concerns and Threats

The unfavorable fluctuations in cotton prices and other input costs make it difficult for Indian exporters to compete in the international market. The unfavorable foreign exchange fluctuations and non-availability of skilled workers also are hurdles faced by the exporters including the Company.

We are trying to focus on cost cutting strategies, development of new makets and maintain the quality of our products to satisfy and exceed the expectations of the market and look forward to a better market sentiment for textiles.

The primary raw material is cotton and cotton yarn, which are being sourced from the domestic market. Cotton is an agricultural product and its supply and quality are subject to forces of nature. Any material shortage or interruption in the domestic supply or deterioration in the quality of cotton due to natural causes or other factors could result in increased production costs, which the industry may not successfully be able to pass on to customers, which in turn would have an material adverse effect on business. There can be no assurance that the price levels of cotton will remain favorable. Any increase in cotton prices would have a material adverse effect on the industry.

However, the Company has over the years developed considerable expertise in responding to the changes in prices & demand. Due to company s integration & order based pricing, the company is generally able to pass on the increase in raw material prices to its customers.

Opportunities

The good thing about Indian economy and textile industry is that both are more insulated from the effects of world recessions or financial crisis . Around 70 percent of India s garment exports are towards its traditional markets of the US and the EU. However, apparel exporters are currently on the look out for new markets. To reduce dependence on traditional markets like the US and Europe, apparel exporters are exploring new markets in Japan, West Asia, Africa, Middle East and Australia .

The Online Retail boom in India is credited more to domestic consumers and it is not export driven. Internal consumption of India is very strong, compared to China which depends largely on exports, which has the potential danger of turning into a threat. 60 percent of retail sales in India catering to the domestic market, in fact acts as a shield to the Indian retailer at large.

The need is now that the Government should support in terms of higher duty draw back rates to offset cost disadvantages in India. Side by side it should go for a faster formulation and implementation of sound policies for supporting textile sector. It is expected that the Govt. of India will take suitable steps and adopt suitable policies to boost the Indian textile industry. The apparel industry provides employment to about seven million people, out of which almost half of them are engaged in the export sector. Still there are wide opportunities available to Indian industry not only to grow in international markets but also domestically.

The Government proposes to increase the investment in this sector to generate more employment through various schemes viz. Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS), Integrated Skill Development Scheme (ISDS), Technology Mission on Technical Textiles (TMTT).

India's textiles and clothing industry is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India s exports worldwide. It is expected that the production as well as exports of textile products will increase in the coming years.

b. COMPANY' S GROWTH PROSPECTS AND NEAR TERM OUTLOOK

The future seems to be good for the Indian Textile Industry both at domestic and international levels as India is still maintaining itself as an attractive destination for retail industry and foreign investments. While it is not possible to fully escape the impact of the global uncertainties, the Indian economy is better placed than many to withstand the shock.

During the year under review, the business and economic environment in India and other emerging countries remained challenging. The year witnessed the event of COVID-19 Pandemic in the last quarter which has affected the business severely and has also impacted the Consumer demand. The impact will continue to prevail during part of the next financial year until the COVID-19 vaccine is invented which we believe will happen soon.

The markets your Company serves are undergoing a massive disruption due to the outbreak of COVID-19. The situation caused by the COVID-19 pandemic continues to evolve and the effects on such markets remain uncertain. The outlook going forward will depend, in addition to other factors, on how COVID-19 continues to affect the global economy.

Despite challenging global and Indian scenario, the Company recorded a very good performance in terms of increased turnover as well as increased profitability. During the year 2019-20, your Company was able to achieve turnover of Rs. 27,743.02 Lacs as against Rs. 26,626.20 Lacs in the previous year, showing an increase of 4.13% over the previous year.. The Profits after Tax of the Company for the year ended 31.03.2020 has been Rs.531.18 Lacs as against Rs. 535.54 Lacs in the previous year showing a decrease in profit of 0.9912% over the previous year. The Exports of the Company for the financial year ended 31st March, 2020 were to the tune of Rs. 1377.91 Lacs as against Rs. 719.20 Lacs, showing an increase of 81.8 percent in comparison to the previous year.

The Company had completed already its first phase of expansion and second phase of expansion in dyeing and fabric processing division. Now, the Company has undergone third phase of expansion in fabric finishing and environmental protection. The Company is planning to widen its markets both at domestic levels and at international levels. The long term prospects of the company are good along the growth path.

c. FINANCIAL ANALYSIS AND REVIEW OF OPERATIONS:

The financial results of the Company during the year are as under:

(RS. IN LACS)

PARTICULARS	2019-20	2018-19
Total Income	27,753.51	26,639.28
Earnings before interest, tax, depreciation and amortisation (before other income)	2150.24	1987.53
Less: Financial expenses	1022.61	920.51
Less: Depreciation and preliminary exp. written off	501.44	435.23
Profit Before Tax	626.18	631.79
Less: Provision for tax	-95.00	-96.25
Profit After Tax	531.18	535.54
Add: Balance brought forward	3581.88	3046.35
Less : Previous Years amounts transferred	0.00	0.00
Amount available for appropriation(s)	4095.44	3581.88
Appropriation:		
-Proposed Dividend on Equity shares @ Rs. 0.01/- per Equity Share (i.e. 1%) (Refer Note (i) below	14.65	14.65
-Tax on Proposed Dividend	2.98	2.98
Balance carried to Balance Sheet	4077.76	3564.26
Note: (i) Proposed Dividend on Equity Share		
Proposed Dividend for the year ended 31 March, 2020 @ Rs. 0.01/- per Equity Share (i.e. 1%)	14.65	14.65
Dividend Distribution Tax on proposed dividend	2.983	2.983
"The Board of Directors of the Company has proposed final dividend of Rs. @ Rs. 0.01/- per Equity Share (i.e. 1%), which is subject to the approval by the shareholders at the ensuing Annual General Meeting. In accordance with the Indian Accounting Standard - 'Contingencies and Events occurring after the Balance Sheet Date' (effective from 01.04.2016), proposed dividend for the year and Corporate Dividend Tax thereon has not been recognized as a distribution of profit in the current year's accounts."		

TURNOVER AND PROFITS

Despite challenging global and Indian scenario among the COVID -19 Pandemic, the Company recorded a very good performance in terms of increased turnover as well as increased profitability. During the year 2019-20, your Company was able to achieve turnover of Rs. 27,743.02 Lacs as against Rs. 26,626.20 Lacs in the previous year, showing an increase of 4.13% over the previous year. The Profits after Tax of the Company for the year ended 31.03.2020 has been Rs.531.18 Lacs as against Rs. 535.54 Lacs in the previous year showing a decrease in profit of 0.9912% over the previous year. The Exports of the Company for the financial year ended 31st March, 2020 were to the tune of Rs. 1377.91 Lacs as against Rs. 719.20 Lacs in the previous year, showing a growth over the previous year.

KEY FINANCIAL RATIOS

	UNIT	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019	% CHANGE
Debt Equity Ratio	Times	1.42	1.26	12.70
Current Ratio	"	1.45	1.57	-12.00
Receivables Outstanding in Days to Sales	Days	62	58	6.89
Inventory in days to Cost of goods sold	"	72.22	68.91	-4.81
Interest Coverage Ratio	Times	1.61	1.69	-5.74
Operating Profit Margin	%	5.94	5.83	1.88
Net Profit Margin	%	1.91	2.01	-4.98

d. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has evolved a system of internal controls commensurate with its size and scale of operations, to ensure that the assets are safeguarded and transactions are authorized, recorded and correctly reported. The internal control system is supplemented by management reviews and independent periodical reviews by the outside chartered accountancy firms which evaluate the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness. The scope of internal audit covers a wide variety of operational methods and, as a minimum, ensures compliance with specified standards with regard to availability and suitability of policies and procedures, extent of adherence, reliability of management information system and authorization procedures including steps for safeguarding of assets. The reports of internal audit are placed before Audit Committee of the Directors. Audit Committee reviews such audit findings and the adequacy of internal control systems. The Statutory Auditors and the Internal Auditors of the Company also interact with the Audit Committee to share their findings and the status of corrective actions under implementation

e. DEVELOPMENTS ON HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The year under review has seen changes in the policies and procedures to make the organization high performing and successful. The Company has always valued its human resources and believes in optimum potential of each employee. During the period under review, the industrial relations were cordial without any disruptions of manufacturing activities. Additional appointments were made and annual increments were granted to salaries of employees during the period under review. As on 31st March, 2020, the Company had 346 employees on rolls.

f. RISKS, THREATS AND RISK MANAGEMENT

Your Company faces general risks inherent in any business including political, legal, geographical, economical, environmental and competition risks and takes appropriate steps to mitigate them and reduce their impact to the extent possible. The exports of the company are subject to set legal procedures and Govt. Rules, approvals and regulations and any change in them may affect the business of the Company. Raw material prices also affect the financial performance of the company.

RISKS AND THREATS

The opening of the international markets has thrown a host of opportunities with unique set of challenges. Today we can take justifiable pride in having joined the ranks of the US$ trillion economies of the world. The change being witnessed can be attributed to several factors including increasing purchasing power of the

masses, shifts in the buying behavior, demography dynamics, and growing urbanization, opening up of the retail segment to private and foreign players and changing trends/lifestyle. Investments in the textile sector have increased significantly over the last three to four years.

The Indian textile sector faces a number of challenges, foremost being fluctuating cotton and raw material prices, infrastructure and inflexible labour laws. Inflow into India of spurious fabric material, counterfeit, fake and misleading selvedge descriptions continues. However, recognizing the threat these spurious imports poses, if continued unchecked, the government has taken a number of steps to check the inflow of such products.

International players are seeking manufacturers with vertically integrated product development facilities and ability for managing quality and costs. Though India is being recognized in this regard and sourcing of value-added products from India is increasing, China continues to be a dominant player in the market with better infrastructure facilities. With its currency in an advantageous position, China is a stronger competitor in exports as well as in the domestic market. The Company is experiencing pressure on margins due to severe competition from other low-cost countries.

Textile being a labour intensive industry, rising labor and skilled human resource costs can put pressure on margins. In order to take advantage of quota-free era, textile and apparel industry require huge investments in infrastructure and also Government s support by various incentives, relaxation and promotions etc, to improve efficiencies and productivity and reduce costs.

g. OPPRTUNITIES AVAILABLE TO THE COMPANY

The Indian Textile industry is expected to get momentum in the coming times. The Company is committed to increase its productivity and bring overall modernization in the manufacturing process. During the year under review, the Company undertook its second phase of expansion in dyeing and fabric processing unit by installing imported high technology fabric dyeing machines, fabric stenter, circular knitting machines, automatic color mixing and dispenser machine, collar knitting machines, high power brushing machines and heat recovery unit. The Company also undertook implementation of RO/ZLD Plant with a view to save water and make industry more environment friendly. The Company is also considering manufacture of allied products in the textile sector.

h. SUBISIDIARY

There is no Subsidiary/holding/Associate Company of the Company.

i. SEGMENT WISE PERFORMANCE

The operations of the Company comprise of only one segment i.e. Textiles, therefore the whole position as depicted are in respect of the said segment. In respect of other commercial disclosures, the Notes on Accounts and the Schedules are self explanatory and can be referred to.

j. RISK MANAGEMENT POLICY IMPLEMENTATION

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. Your company has identified the following risks:

Key Risk	Impact to Bhandari Hosiery Exports Limited	Mitigation Plans
Commodity Price Risk	Risk of price fluctuation on basic raw materials like cotton, yarn, Chemicals, power as well as finished goods used in the process of manufacturing	The Company commands excellent business relationship with the buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. Also by focusing on new value added products helps in lowering the impact of price fluctuation in finished goods.
Uncertain global economic environment –slow growth in global economy	Impact on demand and realization of Exports of garments	Garments wear by its very nature is not effected by slow downs/recessions.
Interest Rate Risk	Any increase in interest rate can affect the finance cost	Dependence on debt is kept optimum.

Foreign Exchange Risk	Your company exports its products to USA and other European countries. Any volatility in the currency market can impact the overall profitability	The Company commands excellent business relationship with the buyers. In case of major fluctuation either upwards or downwards, the matter are mutually discussed and compensated both ways.
Human Resources Risk	Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent resource can affect the overall performance of the Company	By continuously benchmarking of the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent. By putting in place production incentives on time bound basis and evaluating the performance at each stage of work. We do not anticipate any major issue for the coming five years.
Competition Risk	Your company is always exposed to competition Risk from Asian Countries like Sri Lanka, China, Taiwan, and other African Countries. The increase in competition can create pressure on margins, market share etc	By continuous efforts to enhance the brand image of the Company by focusing on modernization , quality, Cost, timely delivery and customer service. By introducing new product range commensurate with demands your company plans to mitigate the risks so involved.
Compliance Risk– Increasing regulatory requirements	Any default can attract penal provisions	By regularly monitoring and review of changes in regulatory framework. By monitoring of compliance through legal compliance Management tools and regular internal audits.
Industrial safety and employee's health and safety risk.	The Garmenting industry is labour intensive and are exposed to accidents, health and injury risk due to machinery breakdown, human negligence etc	By development and implementation of critical safety standards across the various departments. The Company has also maintained WRAP,BSCI, C-TPAT Certifications, GOTS and OEKO-Tex by complying to various safety and health norms. The Company has taken steps to ensure the health and safety of its employees and customers

CORPORATE GOVERNANCE REPORT

(In Terms of Regulations 34 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V to the said regulations)

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2020, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations"). Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance includes transparency, accountability, reporting and independence.

1. COMPANY'S PHILOSPHY

The Company strongly believes that establishing good corporate governance practices in each and every function of the Organization leads to achieve the sustainable growth and enhances the long term value for all stakeholders. The Company always endeavors to carry its business operations in a fair, transparent and ethical manner and also holds itself accountable and responsible to the society it belongs. The Company considers it imperative to abide by the laws and regulations of the land in letter and spirit and is committed to the highest standards of corporate behaviors. The Company always strives to improve the performance at all levels by adhering to corporate governance practices such as managing its affairs with diligence, transparency, responsibility and accountability. We have, therefore, designed our systems and action plans to enhance performance and stakeholders value in the long run. To create a culture of good governance, constitution of Board Committees as a part of the Internal Control System, fair representation of non-executive and independent Directors on the Board, adequate and timely compliance , disclosure of information on performance, ownership and governance of the Company and payment of statutory dues.

The Company has complied with norms of Corporate Governance as required under the SEBI(LODR) Regulations,2015. The Company understands that compliances of applicable legislations and timely disclosures enhance the image of the Company as a good corporate citizen in the Country.

2. BOARD OF DIRECTORS

(i) **COMPOSITION:** At present, the Board of Directors of the Company consists of 4 Directors. One is Executive Chairman & Mg. Director. Two are Independent Director and Non-Executive Directors. The Composition of the Board is as per stipulated requirements. The Board meets at regular intervals to discuss and decide on business strategies/ policies and review the financial performance of the Company. The Board meetings are pre-scheduled and are circulated to the Directors well in advance to facilitate the Directors to plan their schedules accordingly. In case of business exigencies, the Board's approval is taken through circular resolutions. The Circular resolutions are noted at the subsequent Board Meeting.

(ii) **BOARD MEETINGS:** During the Financial Year 2019-20, the Board met 5 times on 29.05.2019, 14.08.2019, 14.11.2019, 14.02.2020 and 17.03.2019. Following is the Composition of the Board Attendance and other memberships of the Directors of the Company:

Name of Director	Designation	Category	No. of Board Meetings attended	Attendance at the Last AGM	No. of Chairmanship/ Membership on the Board of other public Company	No. of Chairmanship/ Membership on the Committees of other public Company	Remarks
Mr. Nitin Bhandari	Chairman & Mg. Director	Promoter Director	5	Yes	NIL	NIL	
Ms. Vibha Sharma	Director/ Women Director	Non-Executive and Independent	3	Yes	NIL	NIL	
Mr. Vikas Nayyar	Director	Non Executive	5	Yes	NIL	NIL	
Mr. Surinder Kumar Kapoor	Director	Non - Executive and Independent Director	4	Yes	NIL	NIL	

Brief Profile of Directors:

NAME OF DIRECTOR	MS. VIBHA SHARMA (INDEPENDENT DIRECTOR)	MR. NITIN BHANDARI (CHAIRMAN & MG. DIRECTOR)	SH. VIKAS NAYAR (NON-EXECUTIVE DIRECTOR)	MR. SURINDER KUMAR KAPOOR	MR. RAJESH KUMAR
DIN	01729753	01385065	00071047	08442523	05160964
DATE OF BIRTH	15.07.1957	24.08.1983	11.10.1973	26.04.1956	20.02.1971
DATE OF APPOINTMENT	01.04.2019 (Resigned w.e.f. 15.02.2020)	23.11.2009	29.10.2004	01.06.2019	17.03.2020
QUALIFICATION	MA & PHD	MBA in Entrepreneurial Management from European Business School,London, U.K.	GRADUATION	B.Sc and CAIIB	PGDMIR (Post Graduate Diploma in Personal Management and Industrial Relation
SHAREHOLDING IN THE COMPANY	NIL	25178300 (17.18%)	NIL	NIL	NIL
RELATIONSHIP WITH OTHER DIRECTORS OF THE COMPANY	NIL	NIL	NIL	NIL	NIL
DIRECTORSHIP/ CHAIRMANSHIP IN OTHER PUBLIC COMPANIES	NONE	NONE	NIL	NIL	NIL
MEMBERSHIP/ CHAIRMANSHIP OF COMMITTIEES OF BOARD OF OTHER COMPANIES	NIL	NIL	NIL	NIL	NIL
EXPERTISE	Mrs. Vibha Sharma aged about 62 years has an experience of industry and business including herbs import and export and she had been a role playing director/major stakeholder in company like S V Herbs Pvt Ltd. In which she is presently a Director also. She is a Post Graduate and Doctorate in Arts therefore she is proposed to be appointed as Independent Director.	Mr. Nitin Bhandari aged 35 years has done Master of Business Administration in Entrepreneurial Management from European Business School, London, U.K. He has developed vast experience in the fields of Finance, production management, merchandising, setting up of new textiles projects, their modernization and expansion, viability, liaison with foreign and domestic buyers, marketing, cost & wastage control etc.	Mr.Vikas Nayyar has the exposure and experience of around 19 years of Knitting, Hosiery and Embroidery business. fund planning and resources maintenance. He has developed vast experience in the fields of merchandising , optimizing costing and reducing wastage, Retailing, Domestic Markets and contributed a lot to the growth of the company.	Mr. Surinder Kumar Kapoor aged 63 years and being retired government officer has rich experience of 39 years. He had been active Manager and worked in the State bank of India for about 39 years on different levels and position. He has worked as AGM for 11 Years in SBI, DGM for 3 years and has been Inspection and Regional Head for many years all over India. Mr. Surinder Kumar Kapoor has great expertise in Credit Management and HR over so many years.	Mr. Rajesh Kumar aged 49 Years has a rich experience in HR industry. He is Post Graduate with Diploma in Personal Management and Industrial Relations (PGDMIR). He has more than 27 years of experience in HR Management and Time Keeping. He is also the head of HR Department of Bhandari Hosiery Exports Limited, and served as HR executive in various other Companies also. Mr. Rajesh Kumar is currently not serving as Director in any other Company. His valuable interactive and management skill shall be of value for the management of the Company.

Nitin Bhandari

INFORMATION AVAILABLE TO BOARD

The Board has complete access to all the relevant information within the Company, and to all our employees. The information regularly supplied to the Board specifically includes:

- Annual operating plans, budgets and any updates therein;
- Capital budgets and any updates therein;
- Quarterly results for the Company and its operating / business segments;
- Minutes of meetings of Audit Committee and other committees of the Board of the Company
- Information on recruitment/remuneration of senior officers just below board level;
- Material show cause, demand, prosecution notices and penalty notices, if any;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any;
- Any material default in financial obligations to and by the Company.
- Any issue which involves possible public or product liability claims of substantial nature, if any;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations like signing of wage agreement, implementation of Voluntary Retirement Scheme etc;
- Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Status of compliance of any regulatory, statutory nature or listing requirements and shareholders service;
- All proposals requiring strategic decisions;
- Regular business updates.
  The above information is generally provided as part of the agenda papers of the board meeting and/or is placed at the table during the course of the meeting.

BOARD PROCEDURE

The annual calendar of Board Meetings is the beginning of the financial year. The Agenda is circulated in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. The Board is also kept informed of major events/items and approvals taken wherever necessary.

PERFORMANCE EVALUATION:

In compliance with the provisions of the Companies Act, 2013 (the Act) and applicable clauses of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board, during the year adopted a formal mechanism for evaluation of its performances as well as that of its committees and individual Directors, including the Chairman of the Board. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board s functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

INDEPENDENT DIRECTORS' MEETING:

In compliance with Section 149(8) of the Act read along with Schedule IV of the Act and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors met on 14.02.2020 inter alia, to discuss:

(a) Evaluation of the performance of non- Independent Directors and the Board as a whole;

(b) Evaluation of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;

(c) Evaluation of the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. All the Independent Directors were present at the meeting.

FAMILIARISATION PROGRAMME FOR DIRECTORS

Your company follows a structured familiarization programme through various reports and internal policies for all the Directors with a view to update them on the Company s policies on a regular basis. Letter of Appointment(s) are issued to Independent Directors setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Director is taken through a formal induction program including the presentation from the Chairman cum Managing Director and CEO on the Company's manufacturing, marketing, finance and other important aspects. All our Directors are aware and also updated, whenever required, of their role, responsibilities, liabilities and obligations under the provisions of the Companies Act, 2013 and Rules made thereunder and Agreement/ Regulation 25 of the Listing Regulations, 2015. The details of the Familiarization Programmes for Independent Directors are made available on Company's website i.e.www.bhandariexport.com. The evaluation process for the financial year 2019-20 has been completed.

CODE OF CONDUCT:

The Board of Directors of the Company have adopted Code of Business Conduct & Ethics. This Code is based on three fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary conduct and is applicable to all the Directors and senior management personnel.

In terms of the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Code of Business Conduct & Ethics, as approved by the Board of Directors, has been displayed at the website of the company. All the members of the Board and senior management personnel have affirmed compliance with the Code for the year ended 31stMarch, 2020 and a declaration to that effect signed by the Chairman & Managing Director is attached and forms part of this report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

The Company has a Code of Conduct for Prevention of Insider Trading in the shares and securities of the Company as required under SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct To Regulate, Monitor and Report Trading By Insiders and Code of Practices and Procedures For Fair Disclosure of Unpublished Price Sensitive Information. All Directors, insiders and designated persons who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code.

DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT

All the Board Members and senior management personnel of the Company have affirmed compliance of the Code of Conduct for the year ended 31st March, 2020. A declaration to that effect signed by the Chairman & Managing Director is attached and forms part of the Annual Report of the Company.

3. COMMITTEES OF THE BOARD

(i) **Audit Committee:**

The company has duly constituted Audit Committee, the scope of which is quite comprehensive and is in conformity with the provisions of the Companies Act, 2013 and Listing Regulations. During the Financial Year 2019-20. The Audit Committee consisted of 3 directors as under:

1. Mr Surinder Kumar Kapoor.	-	Chairman (Non-Executive and Independent Director)**
2. Mrs. Vibha Sharma	-	Member (Non-Executive and Independent Director) *
3. Shri Nitin Bhandari	-	Member (Executive Director)

The Company Secretary is secretary to this Committee.

Terms of reference: The Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee s purpose is to oversee the accounting and financial process of the Company, the audits of the Company s financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company s risk management policies. The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as well as Section 177 of the Companies Act, 2013.

The Audit Committee met six times during the financial year 2019-20, on 29.05.2019 , 14.08.2019, 14.11.2019, 14.02.2020 and 17.03.2019. Mr. Nitin Bhandari, Mr. Surinder Kumar Kapoor and Ms. Vibha Sharma attended the Audit Committee Meetings.
*Mrs. Vibha Sharma resigned w.e.f. 15.02.2020
**Mr. Surinder Kumar Kapoor appointed w.e.f. 01.06.2019

Note: Mrs.Vibha Sharma has resigned from the office so we appointed Mr. Rajesh Kumar the Non Executive Director of the Company as Interim member of the Audit Committee for the Quorum of the Meeting of the Audit Committee w.e.f. 17.03.2020 and in the Board meeting held on 29.05.2019 the Audit Committee was reconstituted where Mr. Surinder Kumar Kapoor was appointed as the Chairman instead of Mrs. Vibha Sharma w.e.f 01.06.2019.

(ii) **Stakeholders Relationship Committee**

The Board has formed an Investors Grievance Committee named as Stakeholder's Relationship Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 and Rules made there under to specifically look into the redressal of investors complaint like transfer of shares, non receipt of balance sheet or non receipt of credit of shares into the Demat account etc. The Committee also approves issue of duplicate share certificate(s) and other related matters and oversees and reviews all matters connected with the share transfer. The Committee is consist of following Directors:

1.	Shri Vikas Nayar -	Chairman (Non-Executive Director)
2.	Shri Nitin Bhandari -	Member (Executive Director)
3.	Mr. Surinder Kumar Kapoor-	Member (Non-Executive and Independent)*

The Company Secretary of the Company is Secretary of this Committee and is the Compliance Officer of the Company. During the year 2019-20, the Stakeholders Relationship Committee met 5 times on 29.05.2019, 14.08.2019, 14.11.2019, 14.02.2020 and 17.03.2019 which were attended by all the Members respectively.

*Ms. Manmeet Sikka retired from the post w.e.f 01.04.2019 and in place of her Mrs. Vibha Sharma was appointed as the member of the Stakeholder Relationship Committee. Mr. Surinder Kumar Kapoor was brought in place of Mrs. Vibha Sharma w.e.f. 01.06.2019 in the meeting of Committee held on 29.05.2019

During the financial year, the Company had received only one complaint and the same was resolved and disposed off immediately. The Company's complaint redressal systems are in order. There is no pendency in respect of shares received for transfer during the year 2019-20. The Company has designated Email Address exclusively for redressal of investors Complaints i.e. investor@bhandariexport.com and the same is also mentioned at the Company s Website.

(iii) **Nomination and Remuneration Committee -**

In compliance with Section 178 of the Companies Act, 2013, the Board has a duly constituted "Nomination and Remuneration Committee" . During the financial Year 2019-20. The Nomination and Remuneration Committee is presently consist of 4 directors as under:

1.	Mr.Surinder Kumar Kapoor	-Chairman/ Non Executive & Independent Director
2.	Mrs. Vibha Sharma	-Member/ Non Executive & Independent Director*
3.	Shri Vikas Nayar	-Member/ Non Executive Director
4.	Shri Nitin Bhandari	-Member

During year 2019-20, three Meetings of Nomination and Remuneration Committee were held on 29.05.2019, 14.08.2019, 14.11.2019 and 17.03.2020 which were attended to by all the respective Members of the Committee. All Meetings were attended by Mr. Surinder KumarKapoor , Ms.Vibha Sharma, Mr. Nitin Bhandari, and Mr. Vikas Nayar.
*Mr. Arun Kumar Oberoi resigned w.e.f. 23.04.2019 and Mrs. Vibha Sharma also resigned from the office w.e.f. 15.02.2020.

Note: Mrs.Vibha Sharma was appointed as the Chairman of the Nomination & Remuneration Committee w.e.f. 01.04.2019 and in the Board meeting held on 29.05.2019 the Nomination & Remuneration Committee was reconstituted where Mr. Surinder Kumar Kapoor was appointed as the Chairman instead of Mrs. Vibha Sharma w.e.f 01.06.2019.

Terms of reference: The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as section 178 of the Companies Act, 2013.The objectives of constituting of Nomination and Remuneration Committee are as follow:

1. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
2. The Nomination and Remuneration Committee shall, while formulating the above policy shall ensure that—
   (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
   (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
   (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

(iv) Corporate Social Responsibility Committee

As per the Audited Financial Statements of the Company for the year 2019-20, the provisions of Section 135 read with Schedule VII and Companies Corporate Social Responsibility) Rules, 2014 of the Companies Act, 2013 became applicable to the Company with effect from financial year 2019-20. So in accordance with the provisions of Section 135 of the Companies Act, 2013 read with schedule VII of the Said Act and further read Companies (Corporate Social Responsibility) Rules, 2014, "Corporate Social Responsibility Committee" was constituted w.e.f. 28.05.2016 consisting of following persons as Members/ Chairman :

SR.	NAME OF THE DIRECTOR	DESIGNATION
1	MR. NITIN BHANDARI (CHAIRMAN & MG. DIRECTOR)	CHAIRMAN
2	Mr. SURINDER KUMAR KAPOOR (INDEPENDENT DIRECTOR)*	MEMBER
3	MR. VIKAS NAYAR (DIRECTOR)	MEMBER

*Ms. Manmeet Sikka retired from the post w.e.f 01.04.2019 and in place of her Mr. Surinder Kumar Kapoor was appointed as the member of the CSR Committee w.e.f. 01.06.2019.

Key Responsibilities of the CSR Committee:

- Formulate, monitor and recommend to the Board CSR Policy and the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on the activities undertaken.
- Review the Company s performance in the area of CSR.
- Evaluate the social impact of the Company s CSR activities.
- Review the Company s disclosure of CSR matters, including any annual social responsibility report.
- Review the CSR Report, with the Management, before submission to the Board for approval.
- Establish a monitoring mechanism to ensure that the funds contributed by the Company are spent for the intended purpose only.

The CSR Policy of the Company is available at Website of the Company i.e. www.bhandariexport.com. During year 2019-20, two Meetings of CSR Committee were held on 18.11.2019 and 14.02.2020 which were attended to by all the respective Members of the Committee.

4. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

I. POLICY

A. NON EXECUTIVE DIRECTORS -CRITERIA OF SELECTION

a. The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

b. In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

c. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

d. The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
   i. Qualification, expertise and experience of the Directors in their respective fields;
   ii. Personal, Professional or business standing;
   iii. Diversity of the Board.

e. In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

REMUNERATION OF NON EXECUTIVE DIRECTORS:

i. A Non Executive Independent Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

ii. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

B. MANAGING DIRECTOR - CRITERIA FOR SELECTION /APPOINTMENT

For the purpose of selection of the MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

REMUNERATION FOR MANAGING DIRECTOR

i. At the time of appointment or re-appointment, Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and Chairman & Managing Director within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

iii. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure / consider the following:
   a. the relationship of remuneration and performance benchmarks is clear;
   b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
   c. responsibility required to be shouldered by Chairman & Managing Director, the industry benchmarks and the current trends;
   d. the Company's performance vis-à-vis the annual budget achievement and individual performance.

REMUNERATION POLICY FOR THE SENIOR MANAGEMENT EMPLOYEES

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the N&R Committee shall ensure / consider the following:

i. the relationship of remuneration and performance benchmark is clear;
ii. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
iii. the remuneration including annual increment is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance.

5. TERMS OF APPOINTMENT & REMUNERATION

I–Chairman & Managing Director

The tenure of office of the Managing Director is for 3 years and will expire on 21.11.2020. The Board of Directors, have, in their Meeting held on 29.05.2017 re-appointed him as Chairman & Mg. Director and CEO of the Company at existing remuneration, for a period of 3 year w.e.f.22.11.2017 as recommended by Nomination and Remuneration Committee, along with approval of Members at the 24th Annual General Meeting. There is no separate provision for payment of severance fees.

The tenure of office of the Managing Director is for 3 years which will expire on 21.11.2020. The Board of Directors of the Company in their meeting held on 18.08.2020 re-appointed him as the Chairman, Cum Mg Director of the Company at existing remuneration, for a period of 3 years w.e.f. 22.11.2020 as recommended by Nomination & Remuneration Committee, subject to the approval of the members at ensuing General Meeting. There is no separate provision for payment of severance fees.

II. REMUNERATION OF DIRECTORS

Details of remuneration paid to the Directors are given in Form MGT – 9.

6. DISCLOSURES AND COMPLIANCES

A. Related Party Transactions

During the year 2019-20, the Company has entered into following transactions with related parties, in ordinary course of business and at arm's length basis:

Nature of Transactions	Key Management Personnel having relation with Related Party	Enterprises over which KMP is able to exercise significant influence	Total (Amt. in Rs.) 2019-20	Total (Amt. in Rs.) 2018-19
(1)	(2)	(3)	(4)	(4)
Purchase of goods/Job Work	Nitin Bhandari and his Relatives	Bhandari Knit Exports (now converted to M/s Tikani Exports Limited w.e.f. 23.08.2019)	46,781,042	147,729,177
Purchase of goods/Job Work	Nitin Bhandari and his Relatives	Miracle Clothing Company	30,603,590	0
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	Bhandari Knit Exports (now converted to M/s Tikani Exports Limited w.e.f. 23.08.2019)	78,235,808	84,205,364
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	Miracle Clothing Company	7,552,204	0
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	TBD Trading Company	0	0
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	Amaira Texties Mills Plc	28,08,300	0
Closing bal of Loan from Mr. Nitin Bhandari, Chairman & Managing Director	Nitin Bhandari and his Relatives	All mentioned above	90,900,000	87,400,000

Others- Subsidiary Company/ Holding Company/ joint Ventures- NIL/Not Applicable.
All related party transactions entered into during the financial year were on an arm's length basis and in the ordinary course of the business of the Company. All related party transactions are placed before the Audit Committee of the Board of Directors for its approval. Prior omnibus approval of the Audit

Committee of the Board of Directors is obtained for the transactions, which are of foreseen and repetitive nature. A statement giving details of all related party transactions, entered pursuant to the omnibus approval so granted, is placed before the Audit Committee of the Board of Directors for its review on a quarterly basis.. The policy on Related Party Transactions as approved by the Board is hosted on the Company's website. During the year under reference, no Material Related Party Transactions, were entered in terms of the provisions of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

B. DISCLOSURES

a. During the financial year ended 31st March, 2020 there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large.
b. Neither were any penalties imposed, nor were any strictures passed by Stock Exchange or SEBI or any statutory authority on any capital market related matters during the last three years.
c. The Company has announced Whistle Blower policy. All the personnel of the company have the access to the Audit Committee.
d. The Company has complied with the mandatory requirements of the Listing Regulation.
e. The Company has adopted various non-mandatory requirements as well, as discussed under relevant headings.
f. The Company does not have any subsidiary but it has framed a Material Subsidiary Policy and the same is placed on the Company's website and the web link for the same is www.bhandariexport.com.
g. The company has framed Related Party Transaction Policy and is placed on the Company's website and the web link for the same is www.bhandariexport.com.
h. During the financial year ended 31st March, 2019 the company did not engage in commodity hedging activities.

C. COMPLIANCE

a. There has been no instance of non-compliance of any requirement of Corporate Governance Report.
b. The Company has fully complied with the applicable requirements specified in Reg. 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46.
c. The company has followed accounting treatment as prescribed in Indian Accounting Standards applicable to the Company.

D. ADOPTION OF NON-MANDATORY REQUIREMENTS

I. The Board

Since the Company does not have a Non-Executive Chairman, it does not maintain such office.

II. Shareholder Rights

Quarterly/Half yearly/yearly financial results are forwarded to the Stock Exchanges and also uploaded on the website of the Company. The same are also published in required newspapers.

III. Audit Qualifications

There was no audit qualification in the Auditors Report on the Company s financial statements for the year 2019-20.

IV. Reporting of Internal Auditor

The Internal Auditor of the Company reports to the Audit Committee.

E. Disclosure of relationship between Directors inter-se:

None of the Director is related to each other.

F. Disclosure of shares/ convertible instruments held by Non- Executive Directors as on 31.03.2020

a. SHARES

1. Shri Vikas Nayyar	Nil
2. Ms. Vibha Sharma (retired w.e.f. 15.02.2020)	Nil
3. Mr. Surinder Kumar Kapoor	Nil

b. CONVERTIBLE INSTRUMENTS

There are no outstanding convertible Instruments as at 31.03.2020.

G. Disclosure as to Public/ Rights/Preferential Issues/Bonus Issue/Sub-division etc.

During the year under review, the Company has not issued any equity shares/ shares with differential voting rights or granted stock options or issued sweat equity or purchased its own shares. There were no additions/reductions during the financial year 2019-20, in share capital of the Company by way of Public/ Rights/Bonus/preferential issues/ buy back , conversions etc. or any other changes.

7. CODE OF CONDUCT

The Company had adopted the Code of Conduct for all the Board members and senior management personnel. Further all the Board members and senior management personnel have affirmed the compliance with the respective Code of Conduct. A declaration to this effect signed by the Chairman & Managing Director forms part of this report.

8. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 and the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Vigil Mechanism for directors and employees to report genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. The Mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.bhandariexport.com. We affirm that during the financial year 2019-20, no employee was denied access to the Audit Committee.

9. COMPLIANCE WITH CODE OF CONDUCT

The Company has adopted a "Code of Conduct for Directors and Senior Management Personnel". The Directors and Senior Management Personnel have given an Annual Affirmation during the year 2019-20, to this Code. The said Code has also been placed by the Company on its website i.e. www.bhandariexport.com

10. GENERAL BODY MEETINGS

(i) Details of last three **Annual General Meetings (AGMs)** is as follows:

Meeting	Day	Date	Time	Venue	No. of Special Resolutions
26TH AGM	Saturday	28.09.2019	9.10 A.M.	Bhandari House, Village Meharban, Rahon Road, Ludhiana-141007 (Pb.	5
25TH AGM	Friday	28.09.2018	9.10 A.M.	Bhandari House, Village Meharban, Rahon Road, Ludhiana-141007 (Pb.	1
24TH AGM	Tuesday	26.09.2017	9.10 A.M.	Bhandari House, Village Meharban, Rahon Road, Ludhiana-141007 (Pb.	1

(ii) No Extra Ordinary General Meetings were held during the Financial year 2019-20.

(iii) Number of resolutions passed through postal ballot during the financial year 2019-20 was NIL.

(iv) At the ensuing Annual General Meeting, there is no resolution which is proposed to be passed by postal ballot.

11. CEO/CFO CERTIFICATION

The Chairman & Managing Director and Chief Financial Officer have certified to the Board, inter-alia, the accuracy of Financial Statements and adequacy of Internal Controls for the financial reporting purpose as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year ended 31st March, 2020.

12. MEANS OF COMMUNICATION:

The Company communicates with the shareholders through its Annual Reports, Publication of quarterly Results, press releases and reports and returns filed with Stock Exchanges and Registrar of Companies etc. The financial results are normally published in Financial Express and Nawa Zamana/Desh Sewak. All information including business updates, product, process, financials such as Annual Reports, Quarterly results, Shareholding Pattern, different codes are also available on the Company's Website i.e www.bhandariexport.com and information about it is also given in the Annual Reports and publications made by the Company. The Investor Complaints are processed in a centralized web based complaints redressal system on www.scores.gov.in, a website maintained by SEBI (Securities and Exchange Board of India). The main feature of this system is central database of all complaints, online upload of action taken reports (ATR

s) by the concerned companies and online view by investors of action taken on complaints and its current status. The Company had dispose of all the pending complaints filed through scores.

13. GENERAL SHAREHOLDERS INFORMATION:

A. 26th ANNUAL GENERAL MEETING

DATE 28.09.2020
TIME 9.30 A.M.
DAY Monday
VENUE Regd.Office At Bhandari House, Village Meharban, Rahon Road, Ludhiana-141007 PB. INDIA

B. FINANCIAL CALENDAR 2020-21 (TENTATIVE)

FIRST QUARTER RESULTS	: MIDDLE OF AUGUST/ SEPTEMBER, 2020
SECOND QUARTER RESULTS	: MIDDLE OF NOVEMBER, 2020
THIRD QUARTER RESULTS	: MIDDLE OF FEBRUARY, 2021
FOURTH QUARTER RESULTS AND YEARLY	: MIDDLE OF MAY, 2021
ANNUAL ACCOUNTS/NOTICE	: AUGUST, 2021

C. 1. BOOK CLOSURE DATES : 22.09.2020 TO 28.09.2020 (BOTH DAYS INCLUSIVE)
2. CUT OFF DATE : 21.09.2020
3. LAST DATE OF RECEIVING PROXY: 26.09.2020
4. E-VOTING START DATE : WEDNESDAY, THE 25TH SEPTEMBER,2020 (9.00 A.M.)
5. E-VOTING END DATE : FRIDAY, THE 27TH SEPTEMBER,2020 (5.00 P.M.)

D. FINAL DIVIDEND PAYMENT DATE :
Dividend, if any, declared in the next AGM will be paid on or after 28th September,2020,but before the statutory time limit of 30 days from the date of declaration.

E. LISTING: The Securities of the Company are listed at following stock Exchanges:
1. **BSE LIMITED (BSE),** Feroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001
2. **NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE),** Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai - 400051

BSE SCRIP CODE	**512608**
NSE SCRIP CODE	**BHANDARI**
ISIN	**INE474E01029 (New ISIN allotted on Sub-Division)**
FACE VALUE	**Re. 1/- PER SAHRE**

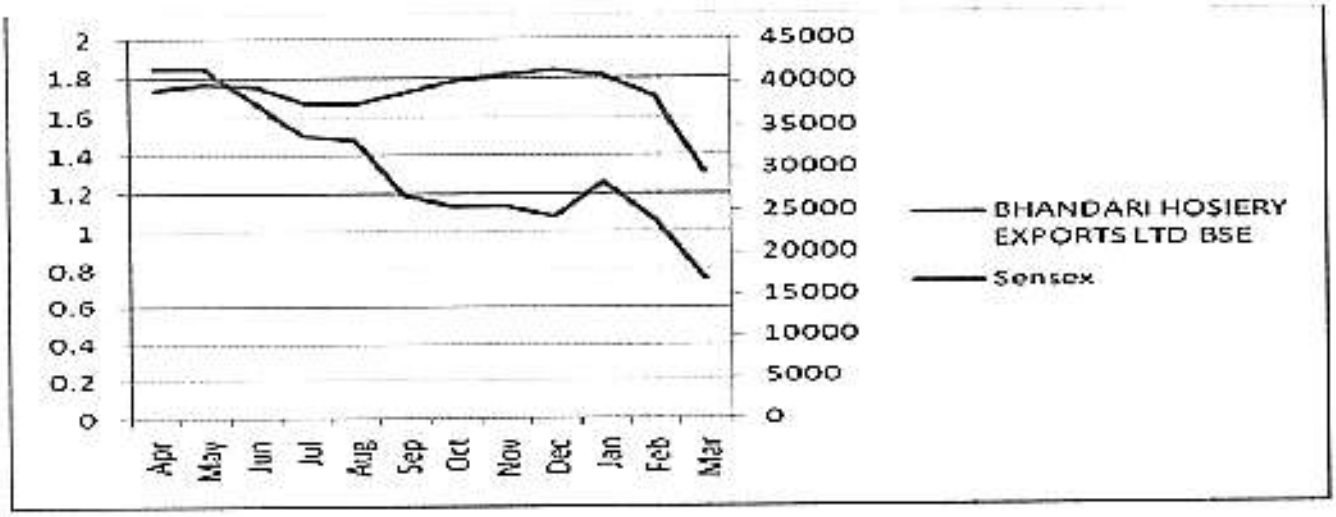
The Company has duly paid the Listing fees to the aforesaid Stock Exchanges upto Financial Year 2020-21.

F. STOCK MARKET DATA
The month wise highest, lowest and closing stock prices vis a vis BSE Sensex during the financial year 2019-20 are given below:

	BHANDARI HOSIERY EXPORTS LIMITED PRICES AT BSE (RS.)			BSE SENSEX			BHANDARI HOSIERY EXPORTS LIMITED PRICES AT NSE (RS.)			NSE NIFTY 50		
Month	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
Apr-19	2.20	1.83	1.85	39487.45	38460.25	39031.55	2.10	1.85	1.85	11856.15	11549.1	11669.15
May-19	2.25	1.66	1.85	40124.96	36956.1	39714.2	2.25	1.70	1.85	12041.15	11108.3	11724.75
Jun-19	1.99	1.60	1.67	40312.07	38870.96	39394.64	1.90	1.60	1.65	12103.05	11625.1	12088.55
Jul-19	1.75	1.19	1.50	40032.41	37128.26	37481.12	1.75	1.50	1.55	11981.75	10999.4	11865.6
Aug-19	1.78	1.19	1.48	37807.55	36102.35	37332.79	1.60	1.20	1.45	11181.45	10637.15	10980
Sep-19	1.51	1.00	1.19	39441.12	35987.8	38667.33	1.50	1.15	1.15	11694.85	10670.25	10797.9
Oct-19	1.38	0.95	1.13	40392.22	37415.83	40129.05	1.25	1.00	1.10	11945	11090.15	11359.9
Nov-19	1.39	0.91	1.14	41163.79	40014.23	40793.81	1.35	1.10	1.10	12158.8	11802.65	11890.06
Dec-19	1.20	1.01	1.08	41809.96	40135.37	41253.74	1.20	1.00	1.10	12293.9	11832.3	12048.2
Jan-20	1.58	1.06	1.26	42273.87	40476.55	40723.49	1.45	1.05	1.25	12430.5	11929.6	12182.5
Feb-20	1.26	1.00	1.06	41709.3	38219.97	38297.29	1.25	1.00	1.05	12246.7	11175.05	11661.85
Mar-20	1.10	0.54	0.75	39083.17	25638.9	29468.49	1.05	0.55	0.75	11433	7511.1	11132.75

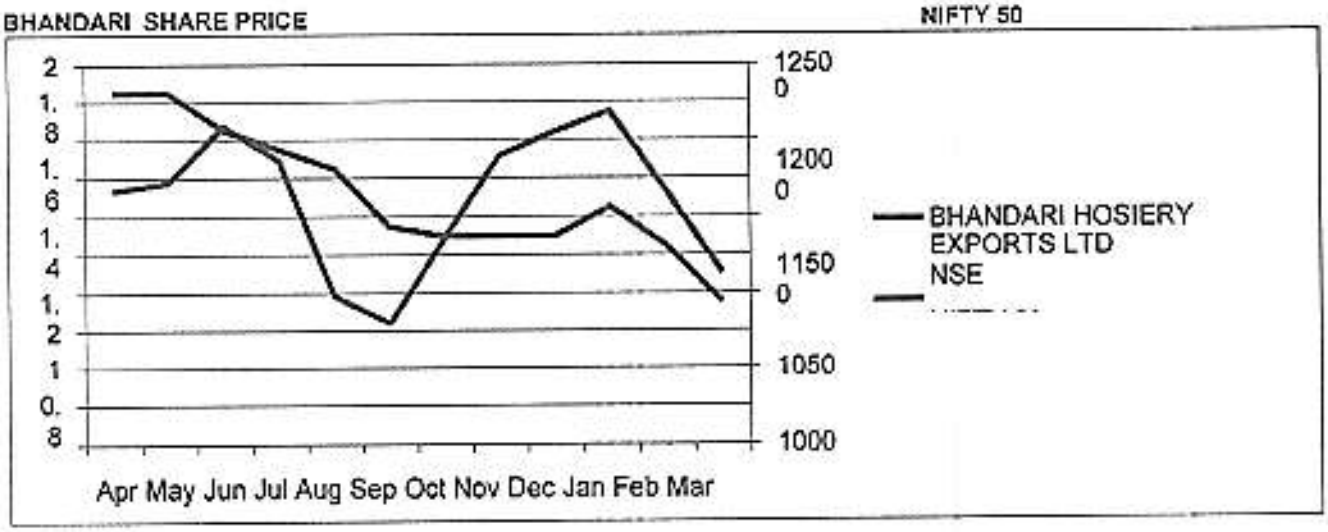
BHANDARI SHARE PRICE

SENSEX



BHANDARI SHARE PRICE

NIFTY 50



G. REGISTRAR AND SHARE TRANSFER AGENT :

In accordance with the Circular of Securities and Exchange Board of India (SEBI), the work of physical share transfer of the Company is with M/S **LINK INTIME INDIA PVT LTD., Noble Heights, 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 , EMAIL: DELHI@LINKINTIME.CO.IN, PHONES: 011- 41410592-94, FAX: 011- 41410591.** Electronic Mode i.e de-materialization of shares is already done through them. Thus activities of share transfer and de-mat are at single point with them. The ISIN of the Comapny is : INE474E01029. The shares of the Company are traded compulsorily in Demat form on BSE and NSE. The Company has participation as an issuer with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). All the fees to both Depositories stands paid till date. The shareholders may operate through any depository.

H. SHARE TRANSFER SYSTEM:

The company's shares are in compulsory dematerialized list and are transferable through depository system. Shares in physical form are processed and approved by **LINK INTIME INDIA PVT LTD., Noble Heights, 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058, EMAIL: DELHI@LINKINTIME.CO.IN, PHONES: 011- 41410592-94, FAX: 011- 41410591** who are the RTAs of the Company to handle both physical and demat of shares activities and transfers are approved/taken note of by the Stakeholder s Relationship Committee. The physical share transfers are generally processed within a period of 15 days from the date of receipt of transfer documents by RTAs. Physical Share Transfers are normally completed/replied within 15 days by RTAs .

I. **DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2020**

SR. NO.	SHARES RANGE			NUMBER OF HOLDERS	% OF TOTAL HOLDERS	NO. OF SHARES	% OF SHARES
1	1	to	500	3651	26.8515	732793	0.5001
2	501	to	1000	1899	13.9663	1755196	1.1979
3	1001	to	2000	3917	28.8078	5788800	3.9507
4	2001	to	3000	852	6.2661	2308405	1.5754
5	3001	to	4000	362	2.6624	1359550	0.9278
6	4001	to	5000	754	5.5453	3652264	2.4926
7	5001	to	10000	996	7.3251	8091998	5.5225
8	10001	to	Above 10001	1166	8.5754	122837944	83.8330
Total				13597	100.0000	146526950	100.00

J. **COMPLIANCE WITH MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Company has fully complied with the applicable requirements as laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of ensuring Corporate Governance.

K. **SHAREHOLDING PATTERN OF THE COMPANY AS ON 31.03.2020**

CATEGORY	NO. OF SHARES OF FACE VALUE OF RS. 1/- EACH	% OF SHAREHOLDING
Promoters/ Promoters Group	3,65,53,132	24.95
Mutual Funds	0	0
Banks, FIs, Etc.	0	0
Foreign Portfolio Investors	398,194	0.27
Nationalised Bank	12,635	0.01
Private Corporate Bodies	14,68,051	1.00
Non Resident Indians	51,00,795	3.48
Central/ State Govt.	0	0
Indian Public	10,28,45,331	70.19
Clearing Members	148,812	0.10
GRAND TOTAL	146,526,950	100.00

L. **SHAREHOLDING OF DIRECTORS AS ON 31.03.2020**

The shareholding of the all the Directors in the Equity Share Capital of the Company is given as follows:

Name of Directors	**Number of Shares held as on 31.03.2020**	
Mr. Nitin Bhandari	25178300	(17.18%)
Ms.Vibha Sharma	NIL	
Mr. Vikas Nayar	NIL	
Mr. Surinder Kumar Kapoor	NIL	
Mr. Rajesh Kumar	NIL	

M. **DEMATERIALISATION OF SHARES:**

As on 31.03.2020 approx. 97.17% shares comprising 14,25,02,800 equity shares were dematerialized.

N. **COMPLIANCE OFFICER :**

Mr. Arpit Jain, Company Secretary, Phones +91-88720-16410, Fax 0161-2890394.
Email: cs@bhandariexport.com; investor@bhandariexport.com

Nitin Bhandari

O. **CHAIRMAN & MG. DIRECTOR:**
Shri Nitin Bhandari, Chairman cum Mg. Director, Phones +91-88720-16410, Fax 0161-2890394

P. **CHIEF FINANCIAL OFFICER (CFO):** Shri Manoj Kumar, Phones 88720-16410.

Q. **DESIGNATED EMAIL ID FOR INVESTORS:** **investor@bhandarlexport.com**

R. **GREEN INTITIATIVE**
The Ministry of Corporate Affairs has taken the Green Initiative in Corporate Governance by allowing paperless compliances by Companies through electronic mode. Your Company supports the Green Initiative. Your Company appeals to you, its shareholders, who are yet to register your E-mail addresses that you take necessary steps for registering the same so that you can also become a part of the initiative and contribute towards a Greener environment.

S. **UNCLAIMED DIVIDENDS**
The Company has transferred all amounts of unclaimed dividend declared for the Financial Year 2006-07 to "The Investors Education and Protection Fund" established by the Central Government, during year 2014-15. There were no other amounts of unpaid dividends pending for transfer to such Fund in the year 2015-16 and 2017-18. Further after year 2006-07, the Company has declared the dividends for the year 2014-15 @1% i.e. Rs. 0.1/- per equity share of the face value of Rs. 10/- each ,then for the year 2015-16 again @ 1% i.e. 0.01 per equity share of face value of Rs. 1/- each, then for the year 2017-18 again @ 1% i.e. 0.01 per equity share of face value of Rs. 1/- each and then for the year 2017-18 again @ 1% i.e. 0.01 per equity share of face value of Rs. 1/- each. Dividends that remain unclaimed / unpaid for a period of seven (7) years from the date on which they were declared, are required to be transferred to the Investor Education and Protection Fund (IEPF) . Shareholders / Investors who have not encashed their Dividend Warrants if any, for year 2014-15 , 2015-16, 2017-18 and 2018-19 are requested to lodge their claims by quoting their respective Folio No./DPClient ID with Company.

T. **OUTSTANDING GDRS/ADRS/WARRANTS**
The company has not issued GDRs/ ADRs/Warrants as of March 31, 2020.

U. **PLANT LOCATIONS:**
Bhandari House, Village Meharban, Rahon Road, Ludhiana- 141007.

V. **ADDRESS FOR CORRESPONDENCE:**
REGD. OFFICE : BHANDARI HOUSE, VILLAGE MEHARBAN, RAHON ROAD, LUDHIANA-141007
PHONES : 88720-16410, FAX : 0161- 2890394; EMAIL : bhandari@bhandarlexport.com

W. **CORPORATE IDENTITY NUMBER (CIN):**
Our Corporate Identity Number (CIN), allotted by Ministry of Company Affairs, Government of India is L17115PB1993PLC013930.

NOTE: The shareholders in respect of dematerialized shares should address correspondence to their respective Depository Participants (DPs)

DECLARATION BY THE CHAIRMAN & MANAGING DIRECTOR UNDER REGULATIONS 26(3) OF THE LISTING REGULATIONS

To
The Members,
Bhandari Hosiery Exports Limited
Ludhiana

I, Nitin Bhandari, Chairman & Managing Director of Bhandari Hosiery Exports Limited, declare that all the members of the Board of Directors and Senior Management have, for the year ended March 31, 2020 affirmed compliance with the Code of Conduct laid down for the Board of Directors and Senior Management in terms of Regulation 26(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Bhandari Hosiery Exports Limited
Sd/-
Nitin Bhandari
Chairman & Managing Director

June 30, 2020

Ludhiana (DIN: 01385065)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members,
Bhandari Hosiery Exports Limited,
Ludhiana

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Bhandari Hosiery Exports Limited** having CIN: **L17115PB1993PLC013930** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31st 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority. As per the status available of Smt. Vibha Sharma at the site of Ministry of Corporate Affairs she is disqualified by ROC u/s 164(2) , however , the stay has been granted by High Court of Punjab on the said disqualification vide Order No. CWP 3759 of 2018 in Vibha Sharma Vs. The Union Of India and Others on 21.12.2018.

S.No.	Name of Director	DIN
1	Shri Nitin Bhandari	01385065
2	Smt. Vibha Sharma	01729753
3	Shri Vikas Nayyar	00071047
4	Mr. Surinder Kumar Kapoor	08442523
5.	Mr. Rajesh Kumar	05160964

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Rajeev Bhambri & Associates
Sd/-
(Rajeev Bhambri)
Proprietor
Company Secretary in whole time practice
FCS 4327
C.P. No. 9491

Dated: 11.08.2020
Place: Ludhiana

CHIEF EXECUTIVE OFFICER (CEO) /CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To
The Board of Directors,
BHANDARI HOSIERY EXPORTS LIMTIED
As required under the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the Listing Regulations] read with Schedule II part B of the Listing Regulations, we hereby certify that;

(A) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief;
   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   2. these statements together present a true and fair view of the Company s affairs and are in compliance with Indian accounting standards, applicable laws and regulations.

(B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to take to rectify these deficiencies; and

(D) We have indicated to the auditors and the Audit committee;
   1. significant changes in internal control over financial reporting during the year;
   2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company s internal control system over financial reporting.

Place: Ludhiana
Date: 20.05.2020

Sd/-
Nitin Bhandari
Chairman & Managing Director/(CEO)

Sd/-
Manoj Kumar
CFO

AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

TO
THE MEMBERS
BHANDARI HOSIERY EXPORTS LIMITED

We have examined the compliance of conditions of Corporate Governance by BHANDARI HOSIERY EXPORTS LIMTIED (the Company), for the year ended on 31st March, 2020, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with the BSE Limited and NSE.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has compiled with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with the BSE Limited and NSE.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For KRISHAN GOEL & ASSOCIATES.
(CHARTERED ACCOUNTANTS)

Sd/-
(MANOJ JAIN)
PARTNER

PLACE : LUDHIANA
DATED : 22.05.2020

MEMBERSHIP NO. 091621

INDEPENDENT AUDITOR'S REPORT

The Members of
BHANDARI HOSIERY EXPORTS LIMITED
LUDHIANA.

Report on the Financial Statement

Opinion

We have audited the accompanying Ind AS financial statements of **BHANDARI HOSIERY EXPORTS LIMITED** ("the company"), which comprise the Balance Sheet as at 31st March 2020, 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 explanation given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No.2.3(C) to the Ind AS financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. The actual results may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis. Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's information, but does not include the Ind AS financial statements and our Auditor's Report thereon.

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

Management's Responsibility for the Financial Statement

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to

  continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 the Companies (Auditor's Report) Order, 2016 ('the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:
   (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) in our opinion, proper books of accounts 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, Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts;
   (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) on the basis of written representation received from the directors as on March 31st, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2020, 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report.
   (g) In our opinion the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

(h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us: -

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements, if any.

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, if any, to the Investor Education and Protection Fund by the Company.

For KRISHAN GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-
(MANOJ JAIN)
PARTNER
M.NO.091621
UDIN : 20091621AAAABM5795

PLACE : LUDHIANA
DATE : 30.06.2020

The Annexure 1 of the Independent Auditor's Report of even date on the financial statements of BHANDARI HOSIERY EXPORTS LIMITED

Report on the Companies (Auditor's Report) Order, 2016 ('the Order') under sub-section (11) of section 143 of the Act

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

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   (b) The Company has a regular programme of physical verification of the fixed assets at reasonable intervals. In accordance with this programme, certain fixed assets were verified during the year, and, no material discrepancies were noticed on such verification.
   (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

2. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly the provisions of clause 3 (iii) (a) (b) (c) of the Order are not applicable to the Company and hence not commented upon.
4. According to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provision under Section 185 and 186 of the Companies Act, 2013. Therefore, the provision of clause 3(iv) is not applicable to the Company.
5. The Company has not accepted any deposits from the public. Therefore, the provisions of Clause 3(v) of the order is not applicable to the Company.
6. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of products, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, customs duty, cess, Goods and Service Tax and other statutory dues with the appropriate authorities.
   (b) According to the information and explanations given to us and the records of the Company examined by us, there are no undisputed amounts outstanding of provident fund, employees state insurance, income-tax, cess, customs duty, Goods and Service Tax.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The company has raised loans from the banks. The Company has not taken any loan either from financial institution or from the government.

9. According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (Including Debt instruments). Accordingly the provision of clause 3(ix) of the Order are not applicable to the Company. The company has raised term loans from banks for installation of the machinery.
10. Based on the audit procedure performed for purpose of reporting the true and fair view of the Ind AS financial statement and according to the information and explanation given by the management, we report that no fraud by the Company, or no material fraud on the company by officers and employees of the company has been noticed or reported during the year.
11. According to the information and explanation given by the management, the managerial remuneration has been paid / provided in accordance with the recognist appraisal mandated by the provisions of the section 197 read with Schedule V of the Companies Act, 2013.
12. In our opinion, and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provision of clause 3(xii) is not applicable to the Company.
13. According to the information and explanation given by the management, the Company's transactions with its related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and, the details have been disclosed in the Notes to Financial Statements, as required by the applicable accounting standards.
14. According to the information and explanation given to us, and on an overall examination of balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or party convertible debentures during the year under review and hence reporting requirement under clause 3(xiv) are not applicable to the company and hence no commented upon.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors, or, persons connected with him as referred to in section 192 of the Companies Act, 2013.
16. According to the information and explanations given to us, the provision of the section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For KRISHAN GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-
(MANOJ JAIN)
PARTNER
M.NO.091621
UDIN : 20091621AAAABM5795

PLACE : LUDHIANA
DATE : 30.06.2020

Annexure – 2 to the Auditor's Report

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

We have audited the internal financial controls over financial reporting of BHANDARI HOSIERY EXPORTS LIMITED ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Control 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Explanatory Paragraph

We also have audited, in accordance with the Indian Accounting Standards issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act, the financial statements of Company which comprise in the Balance Sheet as at March 31, 2020, and the related statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated 30.06.2020 expressed an unqualified opinion thereon.

For KRISHAN GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-
(MANOJ JAIN)
PARTNER
M.NO.091621
UDIN : 20091621AAAABM5795

PLACE: LUDHIANA
DATE : 30.06.2020

(RS. IN LACS)

BALANCE SHEET AS AT 31ST MARCH, 2020			
PARTICULARS	NOTE	AS AT 31.03.2020	AS AT 31.03.2019
I. ASSETS			
1. Non-Current Assets			
(a) Property, Plant & Equipment	A	6525.14	5263.74
(b) Capital Work in Progress	B	5.47	94.84
(c)Intangible Assets	C	1.25	1.25
(d) Financial Assets		0	0
i. Investments		0	0
ii. Loans		0	0
iii. Other Financial Assets		0	0
(e) Other Non Current Assets		0	0
(f) Deferred tax assets			
Total Non Current Assets		6531.86	5359.83
2. Current Assets			
(a) Inventories	3	7222.36	6891.73
(b) Financial Assets			
i. Investments		-	-
ii. Trade Receivables	4	5,331.85	4237.19
iii. Cash & Cash equivalents	5	95.98	152.89
iv. Bank Balances other than iii. Above		-	-
v. Loans	6	37.05	39.90
vi. Other Financial Assets		-	-
(c) Other Current Assets	7	1294.34	1293.29
Total Current Assets		13,981.57	12615.00
Total Assets (1+2)		20513.43	17974.83
II.EQUITY & LIABILITIES			
1.Equity			
(a) Equity Share Capital	8	1,465.27	1,465.27
(b) Other Equity	9	5925.56	5412.05
Total Equity		7390.83	6877.32
2. Liabilities			
2.1 Non- Current Liabilities			
(a) Financial Liabilities			
i. Borrowings	10	3430.07	2712.05
ii. Other Financial liabilities		-	-
(b)Provisions		-	-
(c)Deferred Tax Liabilities	11	375.69	355.69
(d) Other Non-current liabilities		-	-
2.1 Total Non – Current Liabilities		3805.76	3,067.74
2.2 Current Liabilities			
(a) Financial Liabilities			
i. Borrowings	12	7065.10	5953.84
ii. Trade Payables	13	1099.61	1113.39
iii. Other Financial liabilities		-	-
(b)Other Current Liabilities	14	1045.90	869.30
(c)Provisions	15	106.23	93.24
(d) Current tax liabilities(net)		-	-
Total Current Liabilities		9316.84	8029.77
Total Equity And Liabilites(1+2.1+2.2)		20513.43	17974.83
(Continued from Previous Page)			

Summary of Significant Accounting Policies	2		

The accompanying Notes referred to above form an integral part of the Financial Statements.

As per our Report of even date
For KRISHAN GOEL & ASSOCIATES.
FRN : 009607N
Chartered Accountants

Sd/-
(Manoj Jain)
Partner
Membership No. 091621
Place : Ludhiana
Date : 30.06.2020

For and on behalf of the Board of Directors of BHANDARI HOSIERY EXPORTS LIMITED

Sd/-	Sd/-	Sd/-
(Manoj Kumar)	(Arpit Jain)	(Nitin Bhandari)
Chief Financial Officer	Company Secretary	Mg. Director
		DIN: 01385065

(RS. IN LACS)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

SR.	PARTICULARS	NOTE	F.Y. ENDED 31.03.2020	F.Y. ENDED 31.03.2019
I	**Revenue**			
	Revenue from Operations	16	27,743.02	26,626.20
II	Other Income	17	10.49	13.08
III	**Total Revenue**		27,753.51	26,639.28
IV	**Expenses**			
a	Cost of Materials Consumed	18	22,053.39	22,226.90
b	Changes in inventory of finished goods , work in process, stock in trade	19	(218.92)	(648.91)
c	Employees Benefit Expenses	20	1,019.08	775.68
d	Finance cost	21	1,022.61	920.51
e	Depreciation expenses	3	501.44	435.23
f	Other Expenses	22	2,749.73	2298.08
	Total Expenses		27,127.32	26,007.49
V	Profit before exceptional and extraordinary items and tax (III - IV)		626.19	631.79
VI	Exceptional items		0	0
VII	Profit before extraordinary items and tax (V - VI)		626.19	631.79
VIII	Extraordinary Items		NIL	NIL
IX	**Profit before tax (VII-VIII)**		626.19	631.79
X	**Tax Expenses**	23		
	Current Income Tax		75.00	80.00
	Deferred Tax		20.00	16.25
	Wealth Tax		0	0
	Excess(short) Provisions income tax of earlier years		0	0
XI	Profit/(Loss) for the period /from continuing operations (IX-X)		531.18	535.54
XII	Profit/(Loss) for the period from discontinuing operations (IX-X)		NIL	NIL
XIII	Profit/(Loss) for the year		531.18	535.54
XIV	Surplus carried over to Balance Sheet		531.18	535.54
XV	Net Profit available for Equity Shareholders		531.18	535.54
XVI	**Basic Earning per Equity Share of Rs. 1/- each**	24	0.36	0.37
XVII	**Diluted Earnings per Share of Rs. 1/- each**		0.36	0.37
	Summary of Significant Accounting Policies			

As per our Report of even date
For KRISHAN GOEL & ASSOCIATES.
FRN : 009607N
Chartered Accountants
Sd/-
(Manoj Jain)
Partner
Membership No. 091621
Place : Ludhiana
Date : 30.06.2020

For and on behalf of the Board of Directors of BHANDARI HOSIERY EXPORTS LIMITED

Sd/-
(Manoj Kumar)
CFO

Sd/-
(Arpit Jain)
Company Secretary

Sd/-
(Nitin Bhandari)
Mg. Director
DIN: 01385065

(RS. IN LACS)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

PARTICULARS	YEAR ENDED 31ST MARCH, 2020	YEAR ENDED 31ST MARCH 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	626.18	631.79
Adjustments for		
Depreciation after written back	501.44	435.23
Less : Interest received	-10.49	-13.08
Interest & financial expenses	1022.61	920.51
Adjustments against Reserve & surplus	0	0
Operating profit before working capital	2139.75	1974.45
Adjustment for :		
Decrease / Increase (-) in debtors & receivables	-109.28	-83.75
Decrease / Increase (-) in inventories	-330.63	-1002.56
Increase / Decrease (-) in Trade payables and other current liabilities	175.83	-203.73
Cash Generated from operations	892.10	684.41
Less Interest paid	1022.61	920.51
Less Direct tax paid	75.00	80.00
Cash flow before extraordinary items	-205.51	-316.10
Extra ordinary items (Provision for Dividend)/WOF	-17.68	-17.63
Net cash from trading activities	-223.19	-333.73
CASH FROM INVESTING ACTIVITIES		
issue of fresh capital		
Share premium on fresh capital	0	0
Purchase of fixed assets	-1766.76	-194.70
Depreciation Written Back	-15.22	-12.96
Sale of fixed assets	108.52	37.68
Interest received	10.49	13.08
Realization from investments	0	0
Net cash from investing activities	-1662.98	-156.90
CASH FROM FINANCING ACTIVITIES		
Increase in bank borrowing	1829.26	474.17
Repayment of short term borrowing	0	0
Repayment of unsecured loans if any	0	0
Net cash from financing activities	1829.26	474.17
Net increase or decrease in cash & cash	-56.91	-16.48
Cash & Cash equivalents (Opening Balance)	152.89	169.37
Cash & Cash equivalents (Closing Balance)	95.97	152.89

For KRISHAN GOEL ASSOCIATES
FRN : 009607N
Chartered Accountants
Sd/-
(Manoj Jain)
Partner
Membership No. 091621
Place : Ludhiana
Date : 30.06.2020

& For and on behalf of the Board of Directors of BHANDARI HOSIERY EXPORTS LIMITED

Sd/-
(Manoj Kumar)
Chief Financial Officer

Sd/-
(Arpit Jain)
Company Secretary

Sd/-
(Nitin Bhandari)
Mg. Director
DIN:01385065

(RS. IN LACS)

NOTE A- PROPERTY, PLANT & EQUIPMENT FOR THE YEAR ENDED 31.03.2020										
	GROSS BLOCK as at 01.04.2019	ADDITIONS DURING THE YEAR	SALE / TRANSFER DURING THE YEAR	GROSS BLOCK AT 31.03.2020	DEPRICIATION UP TO 01.04.2019	DEPRICIATION REVERSED	DEPRICIATION FOR THE YEAR	DEPRICIATION UPTO 31.03.2020	NET BLOCK AS AT 31.03.2020	NET BLOCK AS AT 31.03.2019
FREE HOLD LAND	37.33			37.33					37.33	37.33
BUILDING & SITE DEVLOPMENT	1693.23			1693.23	469.31		53.67	522.98	1,170.25	1223.92
TEMPORARY FITTING	9.16			9.16	9.16		0.00	9.16	-	0.00
PLANT & MACHINERY	5344.63	1765.43	19.15	7090.92	1547.10	15.22	402.83	1934.70	5156.21	3797.53
FURNITURE & FIXTURE	69.45	1.10		70.55	63.84		6.61	70.45	0.10	5.61
OFFICE EQUIPMENT	24.55			24.55	21.18		0.88	22.06	2.48	3.36
ELECTRIC FITTING & EQUIPMENT	177.50			177.72	143.25		12.69	155.93	21.79	34.25
CAR	233.24			233.23	76.94		22.15	99.09	134.14	156.30
VEHICLES	24.15			24.15	18.72		2.60	21.32	2.83	5.43
TOTAL	**7613.24**			9360.85	**2349.50**	15.22	501.44	2835.71	**6525.14**	**5263.74**

(RS. IN LACS)

NOTE A- PROPERTY, PLANT & EQUIPMENT FOR THE YEAR ENDED 31.03.2019										
	GROSS BLOCK AS AT 01.04.2018	ADDITIONS DURING THE YEAR	SALE / TRANSFER DURING THE YEAR	GROSS BLOCK AT 31.03.2019	DEPRICIATION UP TO 01.04.2018	DEPRICIATION REVERSED	DEPRICIATION FOR THE YEAR	DEPRICIATION UPTO 31.03.2019	NET BLOCK AS AT 31.03.2019	NET BLOCK AS AT 31.03.2018
FREE HOLD LAND	37.33			37.33					37.33	37.33
BUILDING & SITE DEVLOPMENT	1693.23			1693.23	415.63		53.68	469.31	1223.92	1277.60
TEMPORARY FITTING	9.16			9.16	9.16		0	9.16	0.00	-
PLANT & MACHINERY	5,320.75	23.88		5344.63	1,209.85		337.26	1547.10	3797.53	4,110.90
FURNITURE & FIXTURE	69.34	0.11		69.45	57.25		6.59	63.84	5.61	12.10
OFFICE EQUIPMENT	23.46	1.09		24.55	20.94		0.24	21.18	3.36	2.52
ELECTRIC FITTING & EQUIPMENT	173.89	3.61	-	177.50	130.16		13.09	143.25	34.25	43.73
CAR	194.66	76.26	37.68	233.24	68.59	12.96	21.31	76.94	156.30	126.07
VEHICLES	23.77	0.38		24.15	15.66	-	3.06	18.72	5.43	8.11
TOTAL	**7,545.59**	**105.33**	**37.68**	**7613.24**	**1,927.24**	**12.96**	**435.23**	**2349.50**	**5,263.74**	**5,618.36**

(RS. IN LACS)

NOTE B- CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31.03.2020										
PARTICULARS	GROSS BLOCK as at 01.04.2019	ADDITIONS DURING THE YEAR	SALE / TRANSFER DURING THE YEAR	GROSS BLOCK AT 31.03.2020	DEPRICIATION UP TO 01.04.2019	DEPRICIATION REVERSED	DEPRICIATION FOR THE YEAR	DEPRICIATION UPTO 31.03.2020	NET BLOCK AS AT 31.03.2020	NET BLOCK AS AT 31.03.2019
CAPITAL WORK IN PROGRESS	89.37		89.37	-	-	-	-	-	-	89.37
WIP CETP DEPOSIT	5.47			5.47	-	-	-	-	5.47	5.47
TOTAL	94.84		92.99	5.47	0.00	0.00	0.00	0.00	5.47	98.46

(RS. IN LACS)

NOTE B- CAPITAL WORK-IN-PROGRESS FOR THE YEAR ENDED 31.03.2019										
PARTICULARS	GROSS BLOCK as at 01.04.2018	ADDITIONS DURING THE YEAR	SALE / TRANSFER DURING THE YEAR	GROSS BLOCK AT 31.03.2019	DEPRICIATION UP TO 01.04.2018	DEPRICIATION REVERSED	DEPRICIATION FOR THE YEAR	DEPRICIATION UPTO 31.03.2019	NET BLOCK AS AT 31.03.2019	NET BLOCK AS AT 31.03.2018
CAPITAL WORK IN PROGRESS	0.00	89.37	0.00	89.37	--	--	--	--	89.37	0.00
WIP CETP DEPOSIT	5.47	0.00	0.00	5.47	--	--	--	--	5.47	5.47
TOTAL	5.47			94.84					94.84	5.47

(RS. IN LACS)

NOTE C- INTANGIBLE ASSETS FOR THE YEAR ENDED 31.03.2018										
PARTICULARS	GROSS BLOCK as at 01.04.2019	ADDITIONS DURING THE YEAR	SALE / TRANSFER DURING THE YEAR	GROSS BLOCK AT 31.03.2020	DEPRICIATION UP TO 01.04.2019	DEPRICIATION REVERSED	DEPRICIATION FOR THE YEAR	DEPRICIATION UPTO 31.03.2020	NET BLOCK AS AT 31.03.2020	NET BLOCK AS AT 31.03.2019
INTANGIBLE ASSETS	2.21			2.21	0.96	--	--	0.96	1.25	1.25
TOTAL									1.25	1.25

(RS. IN LACS)

NOTE C- INTANGIBLE ASSETS FOR THE YEAR ENDED 31.03.2019										
PARTICULARS	GROSS BLOCK as at 01.04.2018	ADDITIONS DURING THE YEAR	SALE / TRANSFER DURING THE YEAR	GROSS BLOCK AT 31.03.2019	DEPRICIATION UP TO 01.04.2018	DEPRICIATION REVERSED	DEPRICIATION FOR THE YEAR	DEPRICIATION UPTO 31.03.2019	NET BLOCK AS AT 31.03.2019	NET BLOCK AS AT 31.03.2018
INTANGIBLE ASSETS	2.21			2.21	0.96	--	--	0.96	1.25	1.25
TOTAL									1.25	1.25

NOTE 3- INVENTORIES (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
(Valued at Cost or net realisable value, whichever is lower as certified by the Management of the Company)		
Stores and Spares (at cost)	260.88	278.99
Raw Materials (at cost)	1,983.50	1,653.68
Finished Goods & wastage (at cost or Realisable value which ever is less)	2,448.24	2,296.24
Work-in-Progress (at estimated cost)	2,529.74	2,462.82
Total	7,222.36	6,891.73

NOTE 4- TRADE RECEIVABLES (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Debts outstanding for a period exceeding six month from the date they are due for payment		
(Unsecured,Considered Goods unless otherwise stated) (A)		
Domestic	178.20	180.95
Foreign	21.30	19.86
	199.51	200.81
Others(B)		
Domestic	5043.43	4,180.55
Bad Debts (doubtful of recovery)	26.15	43.95
Foreign	62.76	42.17
Total Others Receivables	5132.33	4,266.67
Less Negotiated from Bank	0	(31.36)
Total (A)+(B)	5331.85	4,237.19

NOTE 5- CASH & CASH EQUIVALENTS (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Cash in hand	0.47	0.73
Cheque deposited but not clear	2.98	0.00
Balance with scheduled bank in current accounts	6.37	60.62
Bank Deposit with original Maturity of more than 3 months and up to 12 months	86.16	81.23
Balance at sales points	0.00	10.31
Total	95.98	152.89

NOTE 6- LOANS (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Loans and Advances		
(Unsecured, Considered Good unless otherwise stated)		
a) Advances recoverable in cash or kind or value to be received	5.81	18.75
b) Securities & Deposits	31.24	21.15
TOTAL	37.04	39.90

NOTE 7- OTHER CURRENT ASSETS (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Refunds Receivable(VAT,TUFF etc)	368.02	251.44
Export incentive Receivables	14.40	12.52
Advance to Supplier for Capital Goods	94.22	441.72

Advance Income Tax/TDS	190.95	90.30
Advance to Supplier of Raw Material and Stores	615.47	487.70
Prepaid Expenses	11.27	9.62
TOTAL	1294.34	1293.30

NOTE 8- SHARE CAPITAL (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
I. Share Capital		
a) Authorised Capital 250,000,000 equity shares of Rs. 1/- each (Previous Year 250,000,000 equity shares of Rs. 1/- each)	2,500.00	2,500.00
b) Issued Share Capital 146,526,950 equity shares of Rs. 1/- each (fully paid up) (Previous Year 146,526,950 equity shares of Rs. 1/- each (fully paid up)	1,465.27	1,465.27
c) Subscribed & Paid up Capital 146,526,950 equity shares of Rs. 1/- each (fully paid up) (Previous Year 146,526,950 equity shares of Rs. 1/- each (fully paid up)	1,465.27	1,465.27
Note: The Company has one class of equity shares having a par value of Rs 1/- each as at 31st March, 2020. Each holder of equity shares is entitled to one vote per share.		

II. Reconciliation of shares outstanding at the beginning and at the end of the reporting periods

Particulars	Year Ended March 31,2020		Year Ended March31,2019	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
At the beginning of the period (146,526,950 equity shares of Rs 1/- each)	146,526,950	146,526,950	146,526,950	146,526,950
Add: Shares Issued during the year	NIL	NIL	NIL	NIL
Less: Shares bought back during the year	NIL	NIL	NIL	NIL
Add: Other movements during the year	NIL	NIL	NIL	NIL
Outstanding at the end of the period (146,526,950 equity shares of Rs 1/- each)	146,526,950	146,526,950	146,526,950	146,526,950

III. Shares held by each share holder holding more than 5% share in the company
Equity shares of Rs. 1/- each

		31.03.2020		31.03.2019	
	Name of Shareholder	No of Share	% of Holding	No of Share	% of Holding
1.	NITIN BHANDARI	25,178,300	17.18	25,178,300	17.18
2.	NITIKA BHANDARI	8,676,062	5.92	8,676,062	5.92

IV. Aggregate number of shares issued for consideration other than cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the reporting date.

Particulars	Year (Aggregate No. of Shares)					
	2019-20	2018-19	2017-18	2015-16	2014-15	2013-14
EQUITY SHARES:						
Opening Balance at beginning of year -Shares of face value of Rs. 1/- each (Previous years 2014-15 and before shares of face value of Rs. 10/- each)	146,526,950	146,526,950	14,652,695	14,652,695	14,652,695	14,652,695
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL	NIL
Rights issue/FPO/Preferential issue/ Conversion of Warrants/ any other	NIL	NIL	NIL	NIL	NIL	NIL

TOTAL/BAL. AT CLOSE OF YEAR	146,526,950	146,526,950	14,652,695	14,652,695	14,652,695	14,652,695
PREFERENCE SHARES**:	NIL	NIL	NIL	NIL	NIL	NIL
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL	NIL
TOTAL/BAL. AT CLOSE OF YEAR	NIL	NIL	NIL	NIL	NIL	NIL

* The company's Share Capital consists of Fully Paid Equity Share only and there are no Preference Shares or other type of capital.

** 45,87,500 Equity shares were issued as fully paid up shares of Rs. 10/- each at a price of Rs. 44/- per equity share pursuant to Preferential allotment to persons of public , during the year 2012-13.

*** During the Financial Year 2015-16, each equity share of nominal face value of Rs. 10/- each was sub-divided to 10 equity shares of nominal face value of Rs. 1/- each, resulting in increase in number of equity shares from 1,46,52,695 equity shares of Rs. 10/- each to 14,65,26,950 equity shares of Rs. 1/- each.

**** There are no outstanding warrants/securities convertible into equity shares as at 31st March 2019.

V. Terms/rights attached to equity shares.

The company has only one class of equity shares having face value of Rs. 1/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realized value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

VI. Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates:
NIL/N.A.

NOTE 9- OTHER EQUITY (RESERVE & SURPLUS)* **(RS. IN LACS)**

PARTICULARS	31.03.2020	31.03.2019
Share Premium Reserves		
Opening balance	1,559.75	1,559.75
Addition during the year	-	-
Balance (A)	1,559.75	1,559.75
General Reserve		
Opening Balance	288.05	288.05
Balance carried forward (B)	288.05	288.05
Profit & Loss Account		
Balance brought forward from previous year	3564.26	3046.35
Add : Net Profit for the Current Year	531.18	535.54
Less : Dividend Paid on Equity Shares	-14.70	-14.65
Less : Earlier years amounts trfd	-0.00	-0.00
Less : Dividend Distribution Tax	-2.98	-2.98
Total(C)	4,077.76	3,564.26
TOTAL (A+B+C)	5,925.56	5,412.06

*Other Equity Statement on Next Page

Nitin Bhandari

(RS. IN LACS)

OTHER EQUITY DETAILED STATEMENT FOR THE YEAR ENDED 31.03.2020

	Balance at the Beginning of the reporting period	Changes in accounting policy or prior period error	Restated Balance at the Beginning of Reporting Period	Total Comprehensive Income of the year	Dividends	Transfer to Retained Earnings	Earlier years amounts transferred	Balance at the end of the Reporting period
Share application money pending allotment								
Equity Component of Compound Financial Instrument								
Capital Reserve								
Securities Premium Reserve	1,559.75							1,559.75
General Reserve	288.05							288.05
Retained Earnings	3564.26				(17.63)	531.18		4,077.76
Debt Instrument Through Other Comprehensive Income								
Equity Instrument Through other Comprehensive Income								
Revaluation Surplus								
Exchange Difference on translating the financial statement								
Other Items Other Comprehensive Income								
Money received against share capital								
Total	5412.06				(17.63)	531.18		6925.56

(RS. IN LACS)

OTHER EQUITY DETAILED STATEMENT FOR THE YEAR ENDED 31.03.2019

	Balance at the Beginning of the reporting period	Changes in accounting policy or prior period error	Restated Balance at the Beginning of Reporting Period	Total Comprehensive Income of the year	Dividends	Transfer to Retained Earnings	Earlier years amounts transferred	Balance at the end of the Reporting period
Share application money pending allotment								
Equity Component of Compound Financial Instrument								
Capital Reserve								
Securities Premium Reserve	1,559.75							1,559.75
General Reserve	288.05							288.05
Retained Earnings	3,046.35				(17.63)	535.54	-	3564.26
Debt Instrument Through Other Comprehensive Income								
Equity Instrument Through other Comprehensive Income								
Revaluation Surplus								
Exchange Difference on translating the financial statement								
Other Items Other Comprehensive Income								
Money received against share capital								
Total	4894.15				(17.63)	535.54	-	5,412.06

Nitin Bhandari

NOTE 10- FINANCIAL LIABILITIES (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Term Loans from Banks (LONG TERM BORROWINGS)		
a. S.B.I.Term Loan A\c No.34001402481 (@ 11.80%)	100.56	277.63
b. S.B.I. Term Loan A/C NO. 36625258263 (@11.80%)	364.47	425.43
c. Andhra Bank T/L NO.034030100007657 (@10.75%)	776.76	860.00
d. Term Loan HDFC Bank (@10.25%)	1,195.79	146.80
e. ANDHRA BANK TL NO.034030100008850 (@10.75%)	32.90	42.71
Total (1)	2,470.50	1752.57
Terms of repayment of Term Loans		
a.S.B.I. Term Loan A/C No-34001402481 above is repayable in 66 monthly installments of. First 18 instalments of Rs.22.00 lacs, next 12 instalments of Rs.24.00 lacs, next 24 instalments of Rs.25.00 lacs , next 11 instalments of Rs.29.00 lacs and last instalments of Rs.31 lacs only. present Rate of interest is 11.80% p.a.		
b. Repayment of term loans under "b & c" Rs.15.00 lacs per month for 30 month, Rs 25 lacs for 25 months and Rs 35 lacs for 12 months in proportion to the sanctioned amounts between SBI and AB.		
c. Repayment of term loan 60 EMI's starting from the October 2019 onwards		
d. Repayment in 48 EMI		
Security given to the banks		
For term loans "a" to "e" of note 10 the first pari passu charge on the fixed assets is given to the lending banks under consortium. Second charge on current assets has been given to lending banks on first pari passu charge on reciprocal basis.		
All the credit facilities are guaranteed by personal guarantee of the Chairman & Managing Director. Term loans at Serial a to d are also collaterally secured by Equitable mortgage of land and building of Bhandari Knit Exports.		

(RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Financial lease Hire charges obligations		
f. HDFC Vehicle loan	50.40	81.46
g. Kotak Mahindra Bank Ltd.	0.17	4.00
h. Unsecured Loans From Director**	909.00	874.00
Total (2)	959.57	959.46
Total (1+2)	3,430.07	2,712.04
Car Loans are secured by way of hypothecation of respective car to the respective banks & personal guarantee of the Managing Director		
** Unsecured loans from director (Mr Nitin Bhandari) as stipulated by bank are interest free		

NOTE 11- DEFERRED TAX LIABILITY (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Deferred Tax Liability		
Opening Balance	355.70	339.44
Add:-Provision for the year	20.00	16.25
TOTAL	375.70	355.69

NOTE 12- BORROWINGS (CURRENT LIABILITIES) (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
i. S.B.I. E.P.C. (@8.55%) & SLC (@8.45%)	28.46	29.85
j. S.B.I. CCA 30729399785 (@9.90%)	4359.45	4182.83
k. Andhra Bank CC Limit (@10.75%)	0.00	1126.57
l. South India Bank CC A/C (@9.90%)	1490.09	348.18
m. HDFC Bank CC Limit(@9.90%)	1187.10	266.41
TOTAL	7065.10	5,953.85

Nitin Bhandari

Security provided to the banks , Financial Institutions
a) Working capital limits (i,j , k,l & m of note 5) are secured by first charge on all stocks consisting of Raw Material, WIP, finished goods , stores & spares , goods with fabricators , goods in transit , stock lying on docks , book debts and all other current assets of the company both present & future.
b) Extension of charge on the entire fixed assets of the company also given to the lending bank on first parripassu basis
c) All the credit facilities are guranteed by personal gurantee of the Managing Director.
d) Working limits (I,j, k, l & m) are also collaterally secured by Equitable mortgage of land and building of Bhandari Knit Exports.
e) CC and EPC Limits are reapayble on demand. Present Rate of interest on these limits is EPC @ 8.45, CC @9.90% p.a(SBI), . There is no default on repayment of intetest on these accounts.
f) SLC Limit is reapayble on demand. Rate of interest on this limits is 10.45% p.a. There is no default on repayment of intetest in this accounts.

NOTE 13-TRADE PAYABLES (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Creditors for capital goods	0.00	0.00
Sundry creditors	1,099.62	1,113.39
TOTAL	1,099.62	1,113.39

NOTE 14- OTHER LIABILITIES (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Unpaid dividend (See Note 13 also)	3.02	2.36
Statutory dues	74.19	71.33
Other payables	65.14	60.00
Cheques issued but not yet presented	0.00	58.58
Advances from customers	352.51	129.61
Term Loan instalments payable in one year	551.04	547.42
TOTAL	1045.90	869.30

NOTE 15- PROVISIONS (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Provision for Gratuity	31.23	13.23
Provision for Income Tax	75.00	80.00
TOTAL	106.23	93.23

NOTE 16: REVENUE (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Sales -Export	1,377.91	760.91
Sales-Domestic	26,365.10	25,865.29
Total	27743.01	26,626.20

NOTE 17- OTHER INCOME (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Profit on Sale of Car	0.00	0.97
Freight Recd	5.12	6.65
Interest Other	5.37	5.46
Total	10.49	13.08

NOTE 18- COST OF RAW MATERIAL CONSUMED

(RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Material Consumed		
Opening stock of Raw materials	1,853.68	1,651.56
Purchase of raw materials	22,183.20	22,429.02
Add: Purchase of semi-finished & Finished goods	0.00	0.00
	24,036.89	22,987.79
Less: Closing stock of raw materials	1,983.50	1853.68
Material consumed	22,053.39	22,226.89

NOTE 19- INCREASE(-)/DECREASE(+) IN STOCK

(RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Increase(-)/Decrease (+) in stock		
Closing stock of WIP	2,529.75	2,462.82
Closing stock of finished goods	2,448.23	2,296.24
Total (A)	4,977.98	4,759.06
Less:		
Opening stock of Work-in-Process	2,462.82	2,256.02
Opening stock of finished goods	2,296.24	1,854.12
Total (B)	4,759.06	4,110.14
Increase(-)/Decrease (+) in stock (A-B)	-218.93	-648.91

NOTE 20- EMPLOYEE BENEFIT EXPENSES

(RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Personnel Expenses		
Director's Remuneration	31.20	14.40
Wages	604.75	433.85
Salary	282.16	245.79
Contribution. to PF, ESI etc.	43.00	50.15
Worker's Welfare, Bonus, gratuity ,LWW, L.T.C. etc.	57.96	31.49
Total	1019.08	775.68

Retirement Benefits:

Short term benefits

Short term employee benefit are charged off at the undiscounted amount in the year in which the related service is rendered

Long term Post retirement

Post retirement benefit comprise of provident fund and gratuity which are accounted for as follows:

Provident fund

This is a defined contribution plan and contribution made to the fund are charged to revenue .The Company has no further obligation for the future provident fund benefits other than monthly contribution .

Gratuity Fund

This is a defined contribution plan . The Liability of the company is determined based on the acturial valuation using projected unit credit method . Acturial gain and losses are recognised in full to the profit & loss account for the period in which they occur . The retirement benefit obligation recognised in the Balance sheet represents the present value of the benefit obligation as per Acturial Valuation.

Leave with wages

Provisions for leave with wages is made on the basis of leave accrued to the employees

Nitin Bhandari

NOTE -21 FINANCIAL EXPENSES

(RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Bank Charges & Commission	58.19	44.20
Bank Interest Term Loan	285.15	243.47
Bank Interest CC	679.28	632.84
Total	1,022.61	920.51

NOTE -22 OTHER EXPENSES

(RS. IN LACS)

PARTICULARS	31.03.2019	31.03.2019
Manufacturing Expenses		
Opening Stocks consumables	278.99	127.46
Consumables	236.16	175.37
Dyeing & Finishing	1,204.67	1,137.04
Testing & Sampling	9.16	5.49
Knitting Charges / Fabrication Charges	103.44	62.34
Power & Fuel	706.04	671.40
Less Consumables closing stock	-260.88	-278.96
TOTAL	2,277.58	1,900.11
Office & Administrative Expenses		
Audit & Tax Audit Fees	0.90	0.90
Board & Audit Comtt. Metting Fees	0.55	0.95
Charity and Donation	0.23	0.02
CSR Expenses	13.50	12.00
Fee & Taxes	21.12	13.56
Insurance Charges	25.92	11.47
Legal & Professional	23.35	41.33
Loss on sale of assets	1.41	1.70
Misc. Expenses	2.98	2.93
Printing & Stationery	11.22	8.36
Rent paid for showrooms	0.00	0.00
Telephone & Telex	3.65	2.50
Vehicle Running Expenses	1.82	2.35
Travelling & Conveyance		
-Directors (Foreign)	21.81	20.96
-Directors (Domestic)	0.00	5.07
-Others	39.03	36.91
Repair & Maintenance		
- Building	12.95	4.12
- Electric	11.00	6.37
- General	4.34	4.46
- Machinery	20.50	15.73
- Vehicle	6.26	3.08
Selling & Distribution Expenses		
Commission	21.83	3.15
Courier expenses	13.27	7.08
ECGC Premium	0.17	0.23

Export Expenses	0.10	0.13
Packing Material	63.00	55.87
Rebate & Discount (Quality Claim)	0.05	31.58
Rebate & Discount (Sales)	71.84	27.73
Sale Promotion & Exhibition	4.13	12.26
Shipping & Freight	75.16	65.17
TOTAL	2,749.73	2,298.08

NOTE -23 INCOME TAX EXPENSES (RS. IN LACS)

PARTICULARS	31.03.2020	31.03.2019
Current Tax		
Current Tax on Total Taxable Income of Current year	75.00	80.00
total Current Tax	75.00	80.00
Deferred Tax		
Deferred Tax Charge	20.00	16.25
Total Deferred Tax	20.00	16.25
Total	95.00	96.25

NOTE 24 - EARNING PER SHARE (EPS)

SR.	PARTICULARS	31.03.2020	31.03.2019
A	Net profit as per Statement of Profit and Loss	5,31,18,409	53,554,047
B	Net profit available to Equity Share holders	5,31,18,409	53,554,047
C	No. of equity shares at year end of face value of Rs. 1/- each	146,526,950	146,526,950
D	Weighted average number of Equity shares used as denominator for calculating EPS	146,526,950	146,526,950
E	Face value per Equity Share	Rs. 1/-	Rs. 1/-
F	Basic and Diluted Earning per Share (Rs.) (Face Value Rs. 1/- each)	0.37	0.36

For KRISHAN GOEL & ASSOCIATES.
FRN : 009607N
Chartered Accountant
Sd/-
(Manoj Jain)
Partner
Membership No. 091621
Place : Ludhiana
Date : 30.06.2020

For and on behalf of the Board of Directors of BHANDARI HOSIERY EXPORTS LIMITED

Sd/-
(Manoj Kumar)
Chief Financial Officer

Sd/-
(Arpit Jain)
Company Secretary

Sd/-
(Nitin Bhandari)
Mg. Director
DIN : 01385065

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

NOTE1- CORPORATE INFORMATION

Bhandari Hosiery Exports Limited is a public limited Company incorporated under the provisions of Companies Act, 1956. The Company s CIN is L17115PB1993PLC013930 and the Company s Registered Office is situated in Punjab at Bhandari House, Village Meharban, Rahon Road, Ludhiana. The Company is listed at BSE Limited (BSE) and NSE. The Company does not have any subsidiary Company. The Company is into Textiles and is a garment manufacturing company having vertical production facility to produce High Fashion Knitted Garments. With more than 20 .years experience and state of that art manufacturing facilities, Bhandari Hosiery manufactures garments of leading International and overseas brands and some overseas retail chains..in the international market, we have a presence in around many countries including quality conscious markets like USA, European Union etc..

The company is engaged in fabrics and in the manufacture and export of knitted hosiery garments such as T- Shirts,, Pullovers, Sweat Shirts,, Bermudas,, Polo Shirts, Track Suits,, Pajamas , Lowers,, Ladies Knitted Tops with embroidery and prints etc and manufacture , processing and trading of dyed and non-dyed fabrics at domestic and international levels. The Company confirm to International standards in Human Recourses Practices and adopt Eco- friendly standards in production.

NOTE 2-ACCOUNTING POLICIES

ACCOUNTING POLICIES

(a) Basis of Accounting :

The accounts of the Company are prepared on accrual basis under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013.

(b) Basis of Preparation of Financial Statements

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards in India (Ind AS). The Company has prepared these financial statements to comply in all material respects with the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The company has reclassified the previous year figures in accordance with the requirements applicable in the current year wherever required.

(c) Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management s evaluation of the relevant facts and circumstances as on the date of financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

(d) Revenue Recognition:

(i) Sale is recognized on dispatch of goods and returns if any made by the parties.

(ii) Claims and Benefits: Insurance and other claims are accounted for to the extent realized, as the ultimate collection thereof is uncertain at the time of raising the claim.

(iii) Opening Stock, Purchases, Sales and Closing stock are stated at net value excluding VAT. Any amount payable/ receivable towards VAT is shown in the Balance Sheet under the head Current Liabilities/ Current Assets.

(e) Retirement Benefits:

a.	Short term benefits	Short term employee benefit are charged off at the undiscounted amount in the year in which the related service is rendered.
b.	Long term post retirement	Post retirement benefits comprise of Provident fund and gratuity which are accounted for as follows:
i	Provident fund	This is a defined contribution plan , and contributions made to the fund are charged to revenue. The company has no further obligation for future provident fund benefits other than monthly contribution.
ii	Gratuity fund	This is a defined benefit plan . The liability of the company is determined based on the actuarial valuation using projected unit credit method . Actuarial gains and losses are recognized in full in the Statement of profit and loss for the period in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as per Actuarial Valuation.
iii	Leave with wages	Provisions for leave with wages are made on the basis of leave accrued to the employee during the year.

(f) **Property, Plant & Equipments:**

Property, plant and equipment are stated at cost, loss accumulated depreciation. The Cost of an item of Property, Plant and Equipment comprises:

(a) its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates.

(b) any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use and

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation is provided on Straight Line Method on the basis of useful lives of such assets specified in Schedule II to the Companies Act, 2013 except the assets costing Rs. 5000/- or below on which depreciation is charged @ 100% per annum on proportionate basis.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

(g) **Depreciation:**

Depreciation is provided on Straight Line Method on the basis of useful lives of such assets as specified in Schedule II of Companies Act, 2013.

(h) **Inventories:**

Stores and spares and raw material are valued at Cost. Semi Finished Goods are valued at cost of materials and labour together with relevant factory overheads or net realizable value, whichever, is less. Finished goods are valued at cost or net realizable value, whichever is less. Cost includes materials, direct labour and allocable overheads.

(i) **Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

(j) **Foreign Currency Conversion/Translation**

(i) The export sales are converted at the exchange rates prevailing on the date of custom clearance of export bills. The fluctuations in the exchange rates are accounted for as and when the payment is received and the amount is credited/ debited to the respective Sale Account.

(iii) In respect of export bills remaining unrealized at the year end against which the payments received in the subsequent years the difference arising thereon is recognized as difference in exchange rates under the head misc. income/expenses.

The total sales are inclusive of export incentives and rebate & discounts received and Rebate of Rs0/– (Previous Year Rs. 124339/-) has been shown separately under Other Expenses in Statement of Profit and Loss.

Contingent Liabilities not provided for (Rs. In Lacs)

Sr.	Particulars	As at 31.03.2020	As at 31.03.2019
(a)	Letter of Credit outstanding	0.0	666.02
(b)	Bank Guarantee Outstanding	1.00	1.00
(c)	Bill discounting with bank against irrevocable Foreign Letter of Credit	0.00	8.93

(a) Sales tax/ VAT liability has been provided for as per the return filed. According to our view there is no other liability in addition to the liability provided but in case any additional liability arises at the time of assessment, the same shall be provided at that time.

(b) Provision for Income Tax has been made in the Statement of Profit & Loss on the basis of actual tax liability under MAT as per the Income Tax Act, 1961.

(c) The Spread of COVID 19 has effected the business operations post the national lockdown which was imposed w.e.f.22.03.2020. Post lifting of lockdown the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position based on the internal and external sources of information and application of reasonable estimates. The Company has also performed sensitivity analysis on the assumption used and does not see any significant incremental risk to the recoverability of its assets. In pursuance to the relaxed guidelines the Company has now resumed its operations. Since the situation is continuously evolving the impact assessed in the future may be different from the estimates made as at the date of approval of these financial results. Management will continue to monitor any material change arising due to impact of the pandemic on finance and operational performance of the Company and take necessary actions to address the situations.

Legal cases by and against Company

There are no legal cases pending or initiated against the Company. Following cases were filed by the Company against some parties and are pending:

S.NO.	NAME OF COMPLAINT	COURT	NATURE OF PROCEEDINGS	STATUS
1.	BHANDARI HOSIERY V/s Sharda Logistics	Deepali Gupta(JMIC)	U/S 138 of N.I.A	P.O. declared
2.	BHANDARI HOSIERY V/s Avtar Singh	Vipindeep Kaur(JMIC)	U/S 138 of N.I.A	P.O. declared
3.	BHANDARI HOSIERY V/s SRS Exports	Yukti Goel(JMIC)	U/S 138 of N.I.A	P.O. declared
4.	BHANDARI HOSIERY V/s Ambika Traders	Tarunesh Kumar (JMIC)	U/S 138 of N.I.A	For Arguments
5.	BHANDARI HOSIERY V/s Raj Kumar	Deepali Gupta(JMIC)	U/S 138 of N.I.A	P.O. declared
6.	BHANDARI HOSIERY V/s Sunil Kumar	Balwant Singh(JMIC)	U/S 138 of N.I.A	P.O. declared
7.	BHANDARI HOSIERY VS. UNICORN CORPORATION	Rahul Kumar(JMIC)	U/S 138 of N.I.A	P.O. declared
8.	BHANDARI HOSIERY VS. MARVEL DYERS	-	U/S 138 of N.I.A	For Arguments
9.	BHANDARI HOSIERY VS NAB PRODUCTIONS INDIA P LTD	Sh Devnoor Singh(JMIC)	U/S 138 of N.I.A	For Evidence
10.	Sidana Enterprise Vs. Bhandari Hosiery exports	NCLT	U/s 7 of IB Code	Disposed off on 17.02.2020
11.	Bhandari Hosiery Exports Ltd vs Samar Gulati	Ludhiana District Court	U/S 138 of N.I.A	Summoned
12.	CHD Chemicals Vs Bhandari Hosiery Exports Limited	Chandigarh District Court	Arbitration	Notice & Record
13.	Marvel Dyers and Processors Vs Bhandari Hosiery Exports Limited	High Court Punjab and Harayana	Civil Revision Suit	Consideration
14.	Bhandari Hosiery Exports Limited VS. Kanti Gupta	High Court Punjab and Harayana	CIVIL RSA	Consideration

Interest on FDRs is accounted for on accrual basis and the same has been accounted for 9 under the head other Income. Other Income also includes Rent Received.

Impairment of Assets:- An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. Impairment losses, if any, are recognized in accordance with the Accounting Standard 28 issued in this regard by The Institute of Chartered Accountants of India.

No material Impairment of Assets has been identified by the Company and as such no provision is required as per Indian Accounting Standards issued by the Institute of Chartered Accountants of India.

Party's balances (under Debtors, Creditors and Advances) as at the year end are subject to confirmation. However Company has a perpetual system of reconciling the accounts with its suppliers & customers during the year.

In the opinion of the Board, current assets, loans and advances have a value in the ordinary course of business at least equal to that stated in the Balance Sheet.

Segment Reporting

The Company is mainly engaged in the business of manufacturing of textiles consisting of fabric and garments. Considering the nature of the business and financial reporting of the company, the company has only one segment viz textiles as reportable segment . The company operates in domestic and export segment geographically .The sales for both is separately given .But due to the nature of business the assets / liabilities and expenses for these activities cannot be bifurcated separately. Domestic Sales consist sales made in different parts of India. Export Sales consist exports made to Germany, USA, U.K., Dubai and other countries of European Union (EU). The Export sales and Domestic sales are as under:

Particulars	2019-20(Rs)	2018-19 (Rs)
Export sales	13,77,91,120	76,090,870
Domestic sales	2,63,65,10,439	2,586,528,897
Total	2,77,43,01,559	2,662,619,767

Investments

Particulars	2019-20	2018-19
Investment in shares , etc.	Nil	Nil

Deferred Tax Liability

As per requirements of the Indian Accounting standard, the company has created deferred tax liability for the year of Rs. 20,00,000/- (previous year 16,25,000/-) which consists of the following:

(Amounts in Rs.)

PARTICULARS	At the beginning of the Year	Charged during the year	At the close of year
Timing Difference on account of			
-Depreciation	35,569,391	2,000,000	37,569,391
-Others	0	0	0
-Net Deferred Tax Liability	35,569,391	2,000,000	37,569,391

Micro, Small and Medium Industries:-

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under :

(the credit period with MSME supplier are mutually agreed upon)

(Amounts in lacs Rs.)

	2019-20
Principal amount remaining unpaid to any supplier as at the end of accounting year	1.83
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-
The amount of interest paid along with amt. of the payment made to the supplier beyond appointed day	-
The amount of interest due and payable for the year	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-
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	-

Related Party Disclosure

Detail of disclosures as required by Indian Accounting Standard on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are as under: -

A. Related parties with whom transactions have taken place during the year 2019-20.

a. Key Managerial Personnel:
1. Shri Nitin Bhandari, Mg. Director 2. Shri Manoj Kumar, CFO 3.Shri Arpit Jain Company

b. Relatives of Key Managerial Personnel
1. Shri Naresh Bhandari (Father of Shri Nitin Bhandari, Mg. Director) 2. Ms. Kusum Bhandari (Mother of Shri Nitin Bhandari, Mg. Director) 3. Ms. Aditi Bhandari (Wife of Shri Nitin Bhandari, Mg. Director) 4.Ms. Nitika Bhandari (Sister of Shri Nitin Bhandari , Mg. Director)

Nature of Transactions	Total Amount (In Rs.) 2019-20	Total Amount (in Rs.) 2018-19
Remuneration / Salary paid to Key Managerial Personnel	42,04,333	24,77,333
Remuneration / Salary paid to Relatives of Key Managerial Personnel being employees	25,28,000	25,28,000

B. Enterprise owned or significantly influenced by key management personnel or their relatives:

1. Bhandari Knit Exports 2. Miracle Clothing Company 3.TBD Trading Company 4. Life Style Garments 5. Amaira Textiles Mills Plc

Transactions with Related Parties:

Nature of Transactions	Key Management Personnel having relation with Related Party	Enterprises over which KMP is able to exercise significant influence	Total (Amt. in Rs.) 2019-20	Total (Amt. in Rs.) 2018-19
(1)	(2)	(3)	(4)	(5)
Purchase of goods/Job Work	Nitin Bhandari and his Relatives	Bhandari Knit Exports (now converted to M/s Tikani Exports Limited w.e.f. 23.08.2019)	46,781,042	147,729,177
Purchase of goods/Job Work	Nitin Bhandari and his Relatives	Miracle Clothing Company	30,603,590	0
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	Bhandari Knit Exports (now converted to M/s Tikani Exports Limited w.e.f. 23.08.2019)	78,235,808	84,205,364
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	Miracle Clothing Company	7,552,204	0
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	TBD Trading Company	0	0
Sale of Goods/ Job Work	Nitin Bhandari and his Relatives	Amaira Textiles Mills Plc	28,08,300	0
Closing bal of Loan from Mr. Nitin Bhandari, Mg. Director	Nitin Bhandari and his Relatives	Sr. 1 to 4 at point B above	90,900,000	87,400,000

Others- Subsidiary Company/ Holding Company/ joint Ventures- NIL/Not Applicable.
All the transactions with related parties have been made in ordinary course of business and at arm s length basis.

Leases

There are no such rental/ lease agreements entered into by the Company which require disclosure under Ind AS -116

Additional Information

			31.03.2020 (RS.)	31.03.2019 (RS.)
a	**Value of Imports Calculated on C.I.F. Basis**			
	(i)	Raw Material	Nil	Nil
	(ii)	Stores, Spares, Needles, Labels, Packing Material, Leather goods etc.	25,96,215	1,963,991
	(iii)	Capital goods	87,429,786	0
b	**Expenditure in Foreign Currency**			
	(a)	Travelling and Conveyance	5,525,703	4,427,190
	(b)	Quality claim, rebate & discount etc.	4,795	223,201
c	**Foreign Exchange Earnings**			
	(a)	FOB Value of Exports	134,369,606	71,920,008

d **The Value of Consumption of Raw Materials and Stores**

S.No.	Particulars	Year ended 31st March	Raw Material	%	Stores	%
a)	Imported	2020	NIL	NIL	2,596,215	11.96
b)	Indigenous	2020	2,185,338,791	100	19,754,568	88.04
c)	Imported	2019	NIL	NIL	1,963,991	11.62
d)	Indigenous	2019	2,222,689,623	100	14,459,676	88.38

Previous year's figures have been recast/ regrouped wherever necessary to make them comparable with the current year's figures.

Note 1 to 23 form an integral part of the financial statement.

For KRISHAN GOEL & ASSOCIATES.
FRN : 009607N
Chartered Accountants

For and on behalf of the Board of Directors of BHANDARI HOSIERY EXPORTS LIMITED

(Manoj Jain)
Partner
Membership No. 091621
Place : Ludhiana
Date : 30.06.2020

(Manoj Kumar)
Chief Financial Officer

(Arpit Jain)
Company Secretary

(Nitin Bhandari)
Mg. Director
DIN : 01385065

Bhandari Hosiery Exports Ltd.
Sustainable Innovation

BHANDARI HOSIERY EXPORTS LIMITED

REGD. OFFICE: BHANDARI HOUSE, VILLAGE MEHARBAN, RAHON ROAD, LUDHIANA-141007 (PUNJAB) (INDIA)
PHONES: +91-88720-16410, FAX : +91-161-2690394, E-mail : bhandari@bhandariexport.com
Web: www.bhandariexport.com Corporate Identification No. / CIN: L17115PB1993PLC013930

Form No. MGT-11 - Proxy form

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

Name of the member(s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

I/We, being the member(s) of..... Shares of BHANDARI HOSIERY EXPORTS LIMITED, hereby appoint:

1. Name : .....
2. Address : .....
3. E-mail Id : .....
4. Signature : .....

or failing him

1. Name : .....
2. Address : .....
3. E-mail Id : .....
4. Signature : .....

or failing him

1. Name : .....

2. Address : .....

3. E-mail Id : .....

4. Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the company, to be held on Monday, the 28th day of September, 2020 at 09.30 a.m. at registered office of the company at **BHANDARI HOUSE, VILLAGE MEHARBAN, RAHON ROAD, LUDHIANA-141007 (PUNJAB) (INDIA)** and at any adjournment thereof in respect of such resolutions as are indicated below:

RESO. NO.	RESOLUTIONS	OPTIONAL (PLEASE MARK TICK)	
	Ordinary Business	FOR	AGAINST
1.	Adoption of Audited Balance Sheet as at 31st March, 2020, Statement of Profit and Loss for the year ended on that date together with the Cash flow Statement and Reports of the Auditors and Directors thereon		
2.	To consider Declaration of Dividend for the year 2019-20, on equity shares.		
3.	To Reappoint Mr. Vikas Nayyar as Director who retires by rotation		
4.	To consider the appointment of M/s Krishan Goel & Associates, Chartered Accountants (FRN : 009607N) as Statutory Auditors		
	Special Business		
5.	To Appoint Mrs. Geetika Bhalla as a Non-Executive Independent director		
6.	To Appoint Mr. Rajesh Kumar as a Non-Executive Director		
7.	To Increase the Borrowing Power of the Company		
8.	To increase the securitization, mortgage/ charges on the Moveable and Immoveable Properties of the Company, Both Present and Future		
9.	To re-appoint Mr. Nitin Bhandari, as the Managing Director of the Company w.e.f. 22.11.2020		

Signed this..... day of..... 2020

Affix Revenue Stamp

Signature of Shareholder.....

Note:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. **A Proxy need not be a Member of the Company.**

BHANDARI HOSIERY EXPORTS LIMITED

ATTENDANCE SLIP

I hereby record my presence at the 27th **ANNUAL GENERAL MEETING** of the Company being held on Monday, the 28th day of September, 2020 at 9.30 a.m. at the Registered Office of the Company at **BHANDARI HOUSE, VILLAGE MEHARBAN, RAHON ROAD, LUDHIANA-141007 (PUNJAB) (INDIA)**

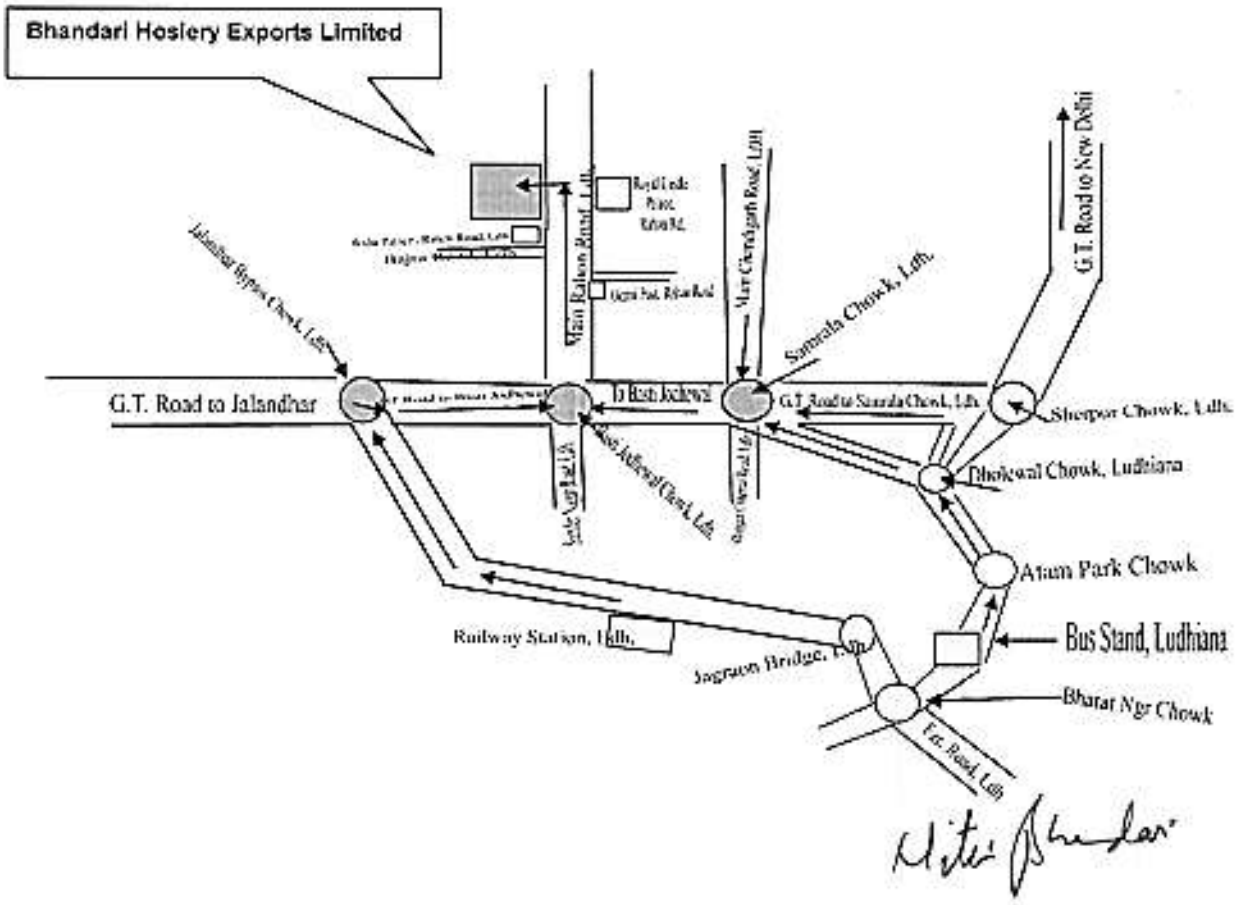
Full Name of the Shareholder(S).....No. of shares held.....

Folio No ..... D. P. ID/ Client ID. .....

Full Name of Proxy .....
(IN BLOCK LETTERS) (If attended by Proxy)

SIGNATURE.....

ROUTE MAP TO THE VENUE OF ANNUAL GENERAL MEETING OF
BHANDARI HOSIERY EXPORTS LIMITED
REGD. OFF: BHANDARI HOUSE, VILLAGE MEHARBAN, RAHON ROAD, LUDHIANA-141007 PUNJAB
CIN: L17115PB1993PLC013930
The 26th Annual General Meeting of the Members of the Company to be held on Saturday, the 28th day of September, 2019 at 9.10 A.M. at the Registered Office of the Company



Vipan Kumar Aggarwal & Co.

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Members of
M/s Tikani Exports Limited

We have audited the accompanying financial statements of **TIKANI EXPORTS LIMITED** which comprise the Balance Sheet for the period from 01.04.2020 to 30.09.2020, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

TIKANI EXPORTS LIMITED LUDHIANA

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN: 021246N LUDHIANA

Address: - SCO 15-16, 3rd Floor, Jandu Tower, Near Manju Cinema, G.T. Road, Ludhiana-141003, Punjab.
Contact: - (M) 98140-77789 (O) 0161-4667789, 3256231. Email: - ca.vipanaggarwal@gmail.com

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at September 30, 2020, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2020 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 B"**.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations;

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.

For Vipan Kumar Aggarwal & Co.,
(Chartered Accountants)

(Vipan Aggarwal)
(Partner)
Membership No. 081198

Place: Ludhiana.
Date : 16/11/2020
UDIN: 20081198AAAAAN2552

TIKAMANI EXPORTS LIMITED LUDHIANA

Vipan Kumar Aggarwal & Co.
CHARTERED ACCOUNTANTS

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended September 30, 2020:

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

   (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

   (c) The title deeds of immovable properties are held in the name of the company.

2) (a) The management has conducted the physical verification of inventory at reasonable intervals.

   b) No discrepancies have been noticed on physical verification of the inventory as compared to books records

3) 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 Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

VIPAN KUMAR AGGARWAL CA CHARTERED ACCOUNTANTS LUDHIANA

VIKAS EXPORTS LIMITED LUDHIANA

Address: - SCO 15-16, 3rd Floor, Jandu Tower, Near Manju Cinema, G.T. Road, Ludhiana-141003, Punjab.
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6) As informed to us, the maintenance of Cost Records has been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at September 30, 2020 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management.

a) The company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

b) The company has raised term loans from the bank for installation of machinery.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided

VIKANI EXPORTS LIMITED LUDHIANA

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN-007245N LUDHIANA

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in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has preferential allotment or private placement of shares during the year under review.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Vipan Kumar Aggarwal & Co.,
(Chartered Accountants)

(Vipan Aggarwal)
(Partner)
Membership No. 081198

Place: Ludhiana.
Date : 16/11/2020
UDIN: 20081198AAAANJ3552

TIRANI EXPORTS LIMITED LUDHIANA

Address: - SCO 15-16, 3rd Floor, Jandu Tower, Near Manju Cinema, G.T. Road, Ludhiana-141003, Punjab.
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Vipan Kumar Aggarwal & Co.
CHARTERED ACCOUNTANTS

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of TIKANI EXPORTS LIMITED

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

We have audited the internal financial controls over financial reporting of Tikani Exports Limited as of September 30, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the 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.

Auditors' Responsibility

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

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

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

TIKANI EXPORTS LIMITED LUDHIANA

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN: 012245N LUDHIANA

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Vipan Kumar Aggarwal & Co.
CHARTERED ACCOUNTANTS

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Vipan Kumar Aggarwal & Co.,
(Chartered Accountants)

(Vipan Aggarwal)
(Partner)
Membership No. 081198

Place: Ludhiana.
Date : 16/11/2020
UDIN: 20081198AAAAAN2552

TIKAMANI EXPORTS LIMITED LUDHIANA

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M/S TIKANI EXPORTS LIMITED

Vill. Meharban, Rahon Road,

BALANCE SHEET AS AT 30.09.2020

Particulars	Note No.	Current Period 30.09.2020	Previous Period 31.03.2020
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	231,345,000	231,345,000
(b) Reserves and Surplus	3	3,160,141	2,305,847
2 Share Application Money Pending Allotment	4	-	-
3 Non Current Liabilities			
(a) Long terms borrowings	5	9,336,777	6,588,316
(b) Deferred Creditors			
(c) Deferred tax Liabilities (Net)	6	29,010	29,010
4 Current Liabilities			
(a) Short term	7	74,499,079	75,288,217
(b) Trade Payables	8	9,858,385	6,983,543
(c) Other Current Liabilities	9	2,661,673	32,460,210
(d) Short-term Provisions	10	1,334,783	960,000
0	Total	332,065,848	355,960,943
II ASSETS			
1 Non - Current assets			
(a) Fixed assets - Tangible Assets	11	170,283,863	171,301,290
(b) Long Term Loans & Advances	12	1,322,658	-
(c) Non Current Investments			
(d) Preliminary Expenses to the extent not written off		1,869,061	1,869,061
2 Current Assets			
(a) Inventories	13	93,723,016	88,123,016
(b) Trade receivables	14	47,728,838	90,282,994
(c) Cash and cash equivalents	15	5,164,194	3,055,455
(d) Other Current Assets	16	11,974,298	11,355,115
	Total	332,065,849	355,966,943
		-	-

AUDITOR'S REPORT

FOR Vipan Kumar Aggarwal & Co.

CHARTERED ACCOUNTANTS

VIPAN KUMAR AGGARWAL & CO. CA CHARTERED ACCOUNTANTS FRN 007245N LUDHIANA

Date : 16/11/2020

Place : Ludhiana

UDIN: 21081198AAAAAN3552

(Company Secretary)

(Director)

(Director)

TIKANI EXPORTS LIMITED LUDHIANA

M/S TIKANI EXPORTS LIMITED
STATEMENT OF PROFIT & LOSS FOR THE PERIOD 30.09.2020

	PARTICULARS	Note No.	Current Period 30.09.2020	Previous Period 31.03.2020
I.	INCOME			
	Revenue from operations	17	71,562,865	256,122,679
	Other Income	18	7,371	78,403
	Total Revenue		71,570,236	256,201,082
II.	EXPENDITURE			
	(a) Cost of Materials Consumed	19	67,300,699	235,676,945
	(b) Change in Inventory	20	(6,111,516)	(1,218,495)
	(c) Depreciation and amortization expenses	11	1,017,427	1,166,999
	(d) Employee Benefit Expenses	21	1,097,162	2,641,926
	(e) Financial cost	22	4,244,764	7,160,119
	(f) Administrative cost	23	2,772,403	7,457,930
	Total Expenses		70,320,958	252,905,424
III	Profit before tax (I-II)		1,249,277	3,294,657
IV	Tax expenses:			
	(a) Current tax		374,783	960,000
	(b) Deferred tax Liability		-	29,010
V	Profit / (Loss) for the year		874,494	2,305,647
VI	Earlier year short/(excess) Provision		-	-
	Prior Period Expenses			
VII	Profit / (Loss) for the year		874,494	2,305,647
VIII	Earnings per equity share:			
	Basic & Diluted	24	0.00	0.01
		1-28		

AUDITOR'S REPORT

FOR Vipan Kumar Aggarwal & Co.
CHARTERED ACCOUNTANTS

VIPAN KUMAR AGGARWAL & CO. CA CHARTERED ACCOUNTANTS FRN 007245N LUDHIANA

For and on behalf of the Board

(Director)

(Director)

Date : 16/11/2020
Place : Ludhiana

(Company Secretary)

UDIN: 20081198AAAAN03552

TIKANI EXPORTS LIMITED LUDHIANA

M/S TIKANI EXPORTS LIMITED

ANNEXURES FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDING 30TH SEPTEMBER 2020

1 Description of Business: The Company is engaged in the business of Manufacture/trading of Textile & Hosiery products & fabrics

STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

1.2 Accounting Principles (GAAP) and as per the provisions of the Companies Act, 2013 as adopted consistently by the company. All the income and Expenditure having material bearing on the financial statements are recognized on accrual basis. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.3 Use of Estimates: The preparation of the financial statements in conformity with the GAAP requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of the financial statements, and the reported amount of revenues and expenses during the reported period. Actual results could differ from those estimates.

1.4 Revenue Recognition: The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except insurance claims and gratuities. . The accounts are prepared on the historical cost basis, as going concern & are consistent with the generally accepted accounting principles. The insurance claims and gratuity are accounted for in Receipt/Payment basis.

1.5 Provisions & Contingent Liabilities: A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.6 Fixed Assets, Intangible Asset and Capital Work in Progress: Capitalized at acquisition cost including directly attributable cost of bringing the assets to their working condition for intended use and also including an appropriate share of incidental expenditure during construction and are shown in the Balance sheet at Historical value less depreciation.

1.7 Depreciation: Depreciation has been provided on Straight Line Method (SLM) in accordance with the rates specified in schedule XIV to the Companies Act, 1956. Individual low cost assets (acquiredfor'5,000/-or less) are depreciated over a period of one year from the date of acquisition. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

1.8 Investments: Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value of each investment individually. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent the date of investment. Long term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

1.9 Foreign Currency Transactions: Foreign-currency denominated monetary assets and liabilities are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

1.1 Sales :-

Sales are net of VAT & CST (As the amount of CST/VAT has been deducted from Sales.

1.11 Accounting For Taxes on Income:- Current tax is determined in accordance with the provisions of the Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable or reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured considering the tax rates and tax laws enacted or substantively enacted by the Balance Sheet date, in accordance with "Accounting Standard – 22" of the Institute of Chartered Accountants of India. Deferred tax assets are recognized based on management's judgement as to the sufficiency of future taxable income against which the deferred tax assets can be realized.

1.12

Earning Per Share	Earning Per Share	Earning Per Share
Particulars	30.09.2020	31.03.2020
Profit for the year allowable to equity share holder (Rs.)	1,249,277	3,294,657
Weighted Average number of equity shares outstanding during the year (Nos.)	23,134,600	23,134,600
Number of equity shares outstanding during the year (Nos.)	0	0
Basic Earning per Share (Rs.)	0.05	0.14
Diluted EPS	0.05	0.14

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN: 007345N LUDHIANA

TIKANI EXPORTS LIMITED LUDHIANA

1.13 Inventories:

i) Raw Material chemicals and consumable and stores & spares are valued on FIFO basis at purchase price plus other expenses incurred in bringing the inventories to their present location & condition including duties (other than those subsequently recoverable from the taxation authorities).

ii) Work in progress has been valued at cost of raw material plus manufacturing overheads.

iii) Finished goods are valued at full absorption cost method or net realizable value (including excise duty), whichever is less.

iv) Spare parts are taken at estimated value.

1.14 Cash & Cash Equivalents:

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.15 Cash Flow Statement:

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.16 Excise Duty : NOt Applicable .

1.17 Retirement Benefit:

1. Gratuity: - No provision for gratuity has been made. The same is being charged to Statement of Profit & Loss in the year in which it is paid .
2. Provident Fund: - NIL
3. Leave Encashment: - NIL

1.18 Legal cases by and against the Company : NIL

1.19 Interest on FDRs is accounted for on accrual basis and the same has been accounted for under the head other income. Other income also includes foreign Exchange Fluctuation.

1.20 Impairment of Assets:- An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss will be charged to the profit and loss account in the year in which assets is identified as impaired.

1.21 Party's balances (under Debtors, Creditors and Advances) as at the yearend are subject to confirmation, if any. However company has a perpetual system of reconciling the accounts with its suppliers & customers during the year

1.22 In the opinion of the Board, current assets, loans and advances have a value in the ordinary course of business at least equal to that stated in the Balance Sheet.

1.23 Estimated amount of contracts remaining to be executed on capital goods Nil

1.24 Segment Reporting

The Company is mainly engaged in the business of manufacture of textiles ggods consisting of knitted fabrics. Considering the nature of the business and financial reporting of the company, the company has only one segment viz Fabric as reportable segment. The Company operates in domestic market . Domestic sales consist of sales made in different parts of India.

1.25 Investment in shares	31.03.2019	31.03.2018
	NIL	NIL

1.26 Deferred tax Liability

As per requirements of Accounting standard -22 the company has created deferred tax liability for the year of Rs. nil

1.27 Micro, Small and Medium Industries:-

In accordance with the notifications No. GSR 719 (E) dated 16.11.2007 issued by the Ministry of Coprate Affairs, certain disclosers are required to be made relating to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Development Act, 2006. The Company is in the process of compiling relevant information from its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no disclosures have been made in these Financial Statement. However, in the considered view of the management and as relied upon by the auditors, impact of interest, if any that may be payable in accordance with the provisions of this Act is not expected to be material.

1.28 Related Party Disclosure

Detail of disclosures as required by Accounting Standard (AS - 18) on "Related party Disclosures" issued by the Institute of Chartered Accountants of India are as under:-

Particulars	30.09.2020	
Bhandari Hosiery Exports Limited	0	
Miracle Clothing Company	1170000	
Nitika Rashesh Shah	4150052	

1.29 Leases :

The rental lease agrement entered into by the company are cancellable in nature without any notice . Hence company has debited the rent for use of landed property to profit & Loss Account and AS -19 has been duly complied to the extent applicable to the company. Moreover According to AS -19 the payment of rent does not give rise to any right to acquire the ownership rights over the assets under consideration.

TIKANI EXPORTS LIMITED LUDHIANA

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN : 007245N LUDHIANA

1.30 Additional Information

Value of Imports Calculated of C.I.F. Basis	30.09.2020		31.03.2020	
	Rs.		Rs.	
Stores, Spares, Needles, Labels,	0		0	
Packing Material, Leather goods etc.	0		0	
Expenditure in Foreign Currency				
Travelling and Conveyance	0		0	
Quality claim, rebate & discount etc.	0		0	
Foreign Exchange Earnings				
FOB Value of Exports	0		0	
Foreign Exchange Outgo	0		0	
The Value of Consumption of Raw Materials and Stores				
Particulars Year ended	Raw Material	% age	stores	% age
31st March 2020				
Imported	0		0	
Indigenous	235875945	100%	4035520	
30st SEPTEMBER 2020				
Imported	-		0	
Indigenous	67300598	100%	1,073,442.00	

1.31 Previous year's figures have been recast/ regrouped wherever necessary to make them comparable with the current year's figures.

1.32 Note 1 to1. 32 for an integral part of the financial statement

(Company Secretary)

TIKANI EXPORTS LIMITED LUDHIANA

TIKANI EXPORTS LTD.
Vill. Meharban, Rahon Road,
Note No. 2 - Share Capital

Particulars	30.09.2020		As at 31st March 2020	
	Number	Rupees	Number	Rupees
Authorised 2,31,50,000 Equity Shares of Rs. 10/- each	23,150,000	231,500,000.00	23,150,000	231,500,000
	23,150,000	231,500,000.00	23,150,000	-
Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each fully paid up (Refer (a),(b) and (c) below)	23134600	231,346,000.00	23,134,600	231,346,000.00
Total	23,134,600	231,346,000.00	23,134,600	231,346,000.00

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	Equity Shares 30.09.2020		Equity Shares As at 31st March 2020	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the	23134600	231346000		
Shares issued during the year	0	0	0	0
Shares bought back during the year	0	0	0	0
Shares outstanding at the end of the year	23134600	231346000	0	462692000

(b) Shareholder holding more than 5 percent shares:

Particulars	30.09.2020		As at 31st March 2020	
	Paid Up Value	Percentage		
Nitin Bhandari	168801000	73%	168801000	73%
Kusum Bhandari	62341500	27%	62341500	27%

(c) Terms/rights attached to equity shares
The company has one class of shares referred to as Equity Shares having a par value of '10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to approval of the shareholders in the ensuing annual general meeting and each equity shareholder is entitled for such dividend declared at annual general meeting.

Note No. 3- Other Equity

	As at 31.03.2020	As at 31.03.2020
Share Premium Reserve		
Surplus as per statement of Profit and Loss	2,305,647	2,305,647
Opening Balance		
Add: Net Profit for the current year	874,494	
	3,180,141	2,305,647

Note No. 4- Share Application Money Pending Allotment

Particulars	As at 31.03.2020	As at 31.03.2020
Amount Pending Allotment	NIL	NIL

Note No. 5 - Long-terms borrowings

Particulars	As at 31.03.2020	As at 31.03.2020
UNSECURED LOAN		
Unsecured loan from directors, shareholders etc.	-	-
From Relatives and Friends &others		
SECURED LOAN -South Indian Bank	6,410,512	6,598,316
SECURED LOAN -South Indian Bank FITL	2,926,265	
Less current maturities of long term borrowings		
	9,336,777	6,598,316

Note No. 6 - Deferred Tax Liability (Net)

Particulars	30.09.2020 Rupees	31.03.2020 Rupees
Deferred Tax Liability	29,010	29,010
	29,010	29,010

TIKANI EXPORTS LIMITED LUDHIANA

VIPAN SUMAN & CO. CHARTERED ACCOUNTANTS FRN 007245N LUDHIANA

TIKANI EXPORTS LTD.
Vill. Meharban, Rahon Road,
Note No. 2 - Share Capital

Note No. 7 - Short Term Borrowings

Particulars	30.09.2020 Rupees	31.03.2020 Rupees
Cash Credit Limits From banks		
South Indian Bank Ltd (Secured against hypothecation of Current assets and bokk debts and equitable mortgage of factory land & building.)	74,499,079	75,288,217
	74,499,079	75,288,217

Note No. 8- Trade Payables

Particulars	30.09.2020 Rupees	31.03.2020 Rupees
Trade Payables		
- Micro and Small Enterprises *		
- Others	9,658,385	6,983,543
	9,658,385	6,983,543

Footnote:

Note No. 9 - Other Current Liabilities

Particulars	30.09.2020 Rupees	31.03.2020 Rupees
Ccurrent Maturities of long term loans		
Statutory Payables	473,809	32,246,162
Other Payables	1,727,769	
Advances from customers	480,095	240,048
	2,691,673	32,486,210

Note No.10 Short term provisions

Particulars	30.09.2020 Rupees	31.03.2020 Rupees
Income tax provision	1,334,783	960,000
	1,334,783	960,000

Note No. 12- Long Term Loans & Advances
Secured, considered good

Particulars	30.09.2020 Rupees	31.03.2020 Rupees
Advance Income Tax		
Deposit with maturity of more than twelve months	1,322,558	
	1,322,558	-

Note No. 13 - Inventories

Particulars	30.09.2020 Rupees	31.03.2020 Rupees
Raw Material	38,584,750	39,095,266
Finished Goods	11,592,816	9,575,500
Work in process	43,545,450	39,451,250
	93,723,016	88,123,016

Note No. 14- Trade Receivables
Secured, considered good

Particulars	30.09.2020 Rupees	31.03.2020 Rupees
Trade Receivable outstanding for a period exceeding six months		
Others Trade Receivables	47,728,838	80,282,984
	47,728,838	80,282,984

Note No. 15 - Cash And Cash Equivalents

Particulars	30.09.2020 Rupees	31.03.2020 Rupees
(a) Cash in hand	2,165,719	1,467,519
(b) Balances with banks	2,998,476	1,587,937
Deposits with maturity of more than twelve	1,322,558	
	6,486,752	3,055,455
Less Deposits with maturity of more than	1,322,558	-
	5,164,194	3,055,455

Note No. 16- Other Current Assets

Particulars	30.09.2020 Rupees	31.03.2020 Rupees
Advance Taxes & Duties	5,720,051	6,018,866
Others Loans & Advances	3,308,930	3,809,233
ADVANCES FROM SUPPLIERS	2,945,316	1,526,996
	-	
G. TOTAL	11,974,298	11,355,115

TIKANI EXPORTS LTD. LUDHIANA

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN. 007245N

TIKANI EXPORTS LTD.
Vill. Meharban, Rahon Road,
LUDHIANA

Note No. 11

6

Particulars	Gross Block				Depreciation					Net Block	
	As on 01.04.2020	Additions during the year	Sale/ Transfer	As on 30.09.2020	Rate	As on 01.04.2020	wdv During the year	Adj/ Sale	upto 31.01.2020	As on 30.09.2020	As on 22.03.2019
Factory Land	132,942,620		0	132,942,620	0.00%	0		0	0	132,942,620	132,942,620
Machinsery	14,451,265		0	14,451,265	6.63%	7,287,016	479,059		7,766,075	6,685,190	7,164,249
Building	31,980,830		0	31,980,830	3.34%	811,878	534,080	0	1,345,958	30,634,872	31,168,952
Temporaray Fittings	56,770			56,770	3.34%	46,674	948	0	47,622	9,148	10,096
Boiler	200,000			200,000	3.34%	184,627	3,340	0	187,967	12,033	15,373
Trade Marks	47,273			47,273		47,273					
TOTAL	46,736,138	0	0	46,736,138	0	8,377,468	1,017,427	0	9,347,622	170,283,863	36,358,670
Previous Year	179,678,758	0	0	179,678,758	16.65%	7,190,469	1,186,999	0	8,330,195	171,301,290	172,488,289

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN: 037455N LUDHIANA

TIKANI EXPORTS LIMITED LUDHIANA

Note 11 FIXED ASSETS

AS PER INCOME TAX

Note No. 11

Particulars	Gross Block			Depreciation			WDV
	WDV 1.04.2020	Additions during the year	WDV 30.09.2020	Rate	wdv During the year for 7 monthd (0.50)	upto 31.03.2020	As on 31.03.2020
Mechinsery	6,564,679		6,564,679	15.00%	492,351	492,351	6,072,329
Building	1,060,551		1,060,551	10.00%	53,028	53,028	1,007,523
Temporaray Fittings	9,521		9,521	15.00%	714	714	8,807
Boiler	16,380		16,380	15.00%	1,228	1,228	15,151
	0		0		0	0	0
TOTAL	7,651,131	0	7,651,131	0.55	0 547,321	547,321	7,103,810

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN : 017245N LUDHIANA

TIKANI EXPORTS LTD.
Vill. Meharban, Rahon Road,

Note No. 17 - Revenue From Operations		
Particulars	30.09.2020	31.03.2020
SALE TAXABLE	71,562,865.00	256,122,679.00
Total	71,562,865.00	256,122,679.00

Note No. 18- Other Income		
Particulars	30.09.2020	31.03.2020
Interest on FDR		77,840.00
Rebate & Discount	7,370.63	562.84
Total	7,370.63	78,402.84

Note No. 19- Cost Of Materiel Consumed		
Particulars	30.09.2020	31.03.2020
Stock taken over from Bhandari Knit Expots running Business	39,096,266.17	4,651,809.00
Purchase during the year	66,789,182.45	270,120,322.64
	-	-
Total	105,885,448.62	274,772,211.64
Less: Closing stock	38,584,750.00	39,096,265.17
Total	67,300,698.62	235,675,945.47

NOTE 20 - CHANGE IN INVENTORY OF FINISHED GOODS AND WORK IN PROCESS	30.09.2020	31.03.2020
	Rupees	Rupees
(a) Opening stock		
WIP Stock taken over from Bhandari Knit Expots running Business	39,451,250.00	34,265,755.00
Finished Stock taken over from Bhandari Knit Expots running Business	9,575,500.00	13,544,500.00
Total	49,026,750.00	47,810,255.00
(a) Closing stock		
Work-in-process	43,545,450.00	39,451,250.00
Finished goods*	11,592,816.00	9,575,500.00
(Increase) / decrease in Stock	(6,111,516.00)	(1,216,495.00)

Note No. 21 - Employee Benefit Expenses		
	30.09.2020	31.03.2020
	Rupees	Rupees
Salary	967,262.00	2,210,693.00
Wages	98,633.00	427,613.00
Staff Welfare	31,287.00	3,420.00
Total	1,097,182.00	2,641,926.00

Note No.22 - Financial cost		
Particular	30.09.2020	31.03.2020
	Rupees	Rupees
BANK CHARGES	24,409.10	434,024.36
Bank Interest	3,632,101.00	6,723,375.05
Interest Others	588,253.73	2,720.00
Total	4,244,763.83	7,160,119.41

TIKANI EXPORTS LIMITED LUDHIANA

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN: 007243N LUDHIANA

Note No. 23 - Other Expenses		
Particulars	30.09.2020	31.03.2020
	-	-
Manufacturing Expenses		
DYES & CHEMICALS	1,073,442.00	4,035,520.00
POWER & FUEL (LS-4)		284,623.00
POWER & FUEL (LS-4)	357,750.00	1,004,625.00
ITC (VAT) NOT ELIGIBLE U/S		5,221.00
ADVERTISEMENT EXPENSE	54,912.00	
AUDIT FEE	31,000.00	21,000.00
FEE & TAXES	6,300.00	14,190.96
INSURANCE CHARGES	42,499.00	68,355.00
LEGAL & PROFESSIONAL CHARGES	36,500.00	25,000.00
PRINTING & STATIONERY		1,440.00
RENT	1,170,000.00	1,365,000.00
TRAVELLING & CONV. OTHER (FOREIGN)		644,711.00
TRAVELLING EXP.& CONV. OTHER (LOCAL)		44.00
Total	2,772,403.00	7,457,929.96

Nitin Bhandari

Nitin Bhandari

VIPIN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN: 007245N LUDHIANA

Pooja
(Company Secretary)

TIKANI EXPORTS LIMITED LUDHIANA

Vipan Kumar Aggarwal & Co.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Members of
M/s Tikani Exports Limited

We have audited the accompanying financial statements of **TIKANI EXPORTS LIMITED** which comprise the Balance Sheet for the period from 23.08.2019 to 31.03.2020, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

TIKANI EXPORTS LIMITED LUDHIANA

Address: - SCO 15-16, 3rd Floor, Jandu Tower, Near Manju Cinema, G.T. Road, Ludhiana-141003, Punjab.
Contact: - (M) 98140-77789 (O) 0161-4667789, 3256231. Email: - ca.vipanaggarwal@gmail.com

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of materie misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account



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d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 B**".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations;

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.

For Vipan Kumar Aggarwal & Co.,
(Chartered Accountants)

(Vipan Aggarwal)
(Partner)
Membership No. 081198

Place: Ludhiana.
Date :29-08-2020

TIRANI EXPORTS LIMITED LUDHIANA

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Vipan Kumar Aggarwal & Co.
CHARTERED ACCOUNTANTS

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2020:

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.

2) (a) The management has conducted the physical verification of inventory at reasonable intervals.

b) No discrepancies have been noticed on physical verification of the inventory as compared to books records

3) 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 Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

TIRANA EXPORTS LIMITED LUDHIANA

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6) As informed to us, the maintenance of Cost Records is not applicable, in respect of the activities carried on by the company.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management.

a) The company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

b) The company has raised term loans from the bank for installation of machinery.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

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TIRANI EXPORTS LIMITED LUDHIANA

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has preferential allotment or private placement of shares during the year under review.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Vipan Kumar Aggarwal & Co.,
(Chartered Accountants)

(Vipan Aggarwal)
(Partner)
Membership No. 081198

Place: Ludhiana.
Date :29-08-2020

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Vipan Kumar Aggarwal & Co.
CHARTERED ACCOUNTANTS

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of TIKANI EXPORTS LIMITED

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

We have audited the internal financial controls over financial reporting of Tikani Exports Limited as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the 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.

Auditors' Responsibility

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

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

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

TIKANI EXPORTS LIMITED LUDHIANA

Address: - SCO 15-16, 3rd Floor, Jandu Tower, Near Manju Cinema, G.T. Road, Ludhiana-141003, Punjab.
Contact: - (M) 98140-77789 (O) 0161-4667789, 3256231, Email: - ca.vipanaggarwal@gmail.com.

Vipan Kumar Aggarwal & Co.
CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls Over Financial Re porting

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Vipan Kumar Aggarwal & Co.,
(Chartered Accountants)

(Vipan Aggarwal)
Partner
Membership No. 081198

Place: Ludhiana.
Date :29-08-2020

Address: - SCO 15-16, 3rd Floor, Jandu Tower, Near Manju Cinema, G.T. Road, Ludhiana-141003, Punjab.
Contact: - (M) 98140-77789 (O) 0161-4667789, 3256231. Email: - ca.vipanaggarwal@gmail.com

VANI EXPORTS LTD. LUDHIANA

M/S TIKANI EXPORTS LIMITED (Earloir Bhandari Knit Exports)

TIKANI EXPORTS LTD.
VILL Meharban, Rahon Road,

BALANCE SHEET AS AT 31.03.2020

M/s Bhandari Knit Exports a partner ship firm was converted into M/s Tikana Exports Limited under Chapter XXI (Companies Authorized to register) under Soc 366 of the Companies Act,2013 w.e.f 23.09.2019

Particulars	Note No.	31.03.2020	
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	231,345,000	
(b) Reserves and Surplus	3	2,305,647	
2 Share Application Money Pending Allotment	4	-	
3 Non Current Liabilities			
(a) Long terms borrowings	5	5,359,204	
(b) Deferred Creditors			
(c) Deferred tax Liabilities (Net)	6	29,010	
4 Current Liabilities			
(a) Short term	7	76,288,217	
(b) Trade Payables	8	9,983,543	
(c) Other Current Liabilities	9	3,715,322	
(d) Short-term Provisions	10	960,000	
	Total	328,986,943	
II ASSETS			
1 Non - Current assets			
(a) Fixed assets - Tangible Assets	11	171,301,280	
(b) Long Term Loans & Advances	12	-	
(c) Non Current Investments			
(d) Preliminary Expenses to the extent not written off		1,869,081	
2 Current Assets			
(a) Inventories	13	88,123,016	
(b) Trade receivables	14	56,262,964	
(c) Cash and cash equivalents	15	3,055,455	
(d) Other Current Assets	16	8,355,115	
	Total	328,986,943	

AUDITOR'S REPORT

FOR Vipan Kumar Aggarwal & Co.

CHARTERED ACCOUNTANTS

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN.007245N M. No.-81198 LUDHIANA

Date : 29/09/2020

Place : Ludhiana

(Director) (Director)

TIKANI EXPORTS LIMITED LUDHIANA

UDIN: 20081198AAAAFX3155

M/S TIKANI EXPORTS LIMITED (Earleir Bhandari Knit Exports)

STATEMENT OF PROFIT & LOSS FOR THE PERIOD 31.03.2020

M/s Bhandari Knit Exports a partner ship firm was converted into M/s Tikana Exports Limited under Chapter XXI (Companies Authorized to register) under Sec 366 of the Companies Act,2013 w.e.f 23.08.2019

	PARTICULARS	Note No.	31.03.2020
I.	INCOME		
	Revenue from operations	17	258,122,679
	Other Income	18	78,403
	Total Revenue		258,201,082
II.	EXPENDITURE		
	(a) Cost of Materials Consumed	19	235,675,945
	(b) Change in Inventory	20	(1,216,495)
	(c) Depredation and amortization expenses	11	1,186,999
	(d) Employee Benefit Expenses	21	2,841,928
	(e) Financial cost	22	7,160,119
	(f) Administrative cost	23	7,457,930
	Total Expenses		252,906,424
III	Profit before tax (I-II)		3,294,657
IV	Tax expenses:		
	(a) Current tax		960,000
	(b) Deferred tax Liability		29,010
V	Profit / (Loss) for the year		2,305,647
VI	Earlier year short/(excess) Provision		-
	Prior Period Expenses		
VII	Profit / (Loss) for the year		2,305,647
VIII	Earnings per equity share:		
	Basic & Diluted	24	0.01
		1-26	

AUDITOR'S REPORT

FOR Vipan Kumar Aggarwal & Co.

CHARTERED ACCOUNTANTS

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN. 007245N M. No.-81198 LUDHIANA

Date : 29-09-2020

Place : Ludhiana

For and on behalf of the Board

(Director) (Director)

EXPORTS LIMITED LUDHIANA

UDIN: 20081198AAAAFX3155

TIKANI EXPORTS LTD.
Vill. Meharban, Rahon Road,
Note No. 2 - Share Capital

M/s Bhandari Knit Exports a partner ship firm was converted into M/s Tikana Exports Limited under Chapter XXI (Companies Authorized to register) under Sec 366 of the Companies Act,2013 w.e.f 23.08.2019

Particulars	31.03.2020		As at 31st March 2019	
	Number	Rupees	Number	Rupees
Authorised 2,31,50,000 Equity Shares of Rs. 10/- each	23,150,000	231,500,000.00	NA	NA
	23,150,000	231,500,000.00	-	-
Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each fully paid up (Refer (a),(b) and (c) below)	23134600	231,346,000.00	NA	NA
Total	23,134,600	231,346,000.00	-	-

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	Equity Shares 31.03.2020		Equity Shares As at 31st March 2019	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the Shares Issued during the year	0	0	0	0
Shares bought back during the year Shares outstanding at the end of the year	0	0	0	0

(b) Shareholder holding more than 5 percent shares:

Particulars	31.03.2020		As at 31st March 2019	
	Paid Up Value	Percentage		
Nitin Bhandari	168601000	73%	NA	NA
Kusum Bhandari	62341500	27%		

(c) Terms/rights attached to equity shares
The company has one class of shares referred to as Equity Shares having a par value of ₹10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to approval of the shareholders in the ensuing annual general meeting and each equity shareholder is entitled for such dividend declared at annual general meeting.

Note No. 3- Other Equity	As at 31.03.2020
Share Premium Reserve	
Surplus as per statement of Profit and Loss	2,305,647
Opening Balance	
Add: Net Profit for the current year	
	2,305,647

Note No. 4- Share Application Money Pending Allotment

Particulars	As at 31.03.2020
Amount Pending Allotment	NIL

Note No. 5 - Long-terms borrowings

Particulars	As at 31.03.2020
UNSECURED LOAN	
Unsecured loan from directors, shareholders etc.	-
From Relatives and Friends &others	
SECURED LOAN -South Indian Bank	6,568,316
Less current maturities of long term borrowings	(1,229,112)
	5,359,204

Note No. 6 - Deferred Tax Liability (Net)

Particulars	31.03.2020 Rupees
Deferred Tax Liability	

Nitin Bhandari

Nitin Bhandari

TIKANI EXPORTS LIMITED LUDHIANA

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN.-007245N M. No.-81158 LUDHIANA

TIKANI EXPORTS LTD.
Vill. Meharban, Rahon Road,
Note No. 2 - Share Capital

M/s Bhandari Knit Exports a partner ship firm was converted into M/s Tikana Exports Limited under Chapter XXI (Companies Authorized to register) under Sec 366 of the Companies Act,2013 w.e.f 23.08.2019

Note No. 7 - Short Term Borrowings

Particulars	31.03.2020 Rupees
Cash Credit Limits From banks South Indian Bank Ltd (Secured against hypothecation of Current assets and bokk debts and equitable mortgage of factory land & building.)	75,288,217
	75,288,217

Note No. 8- Trade Payables

Particulars	31.03.2020 Rupees
Trade Payables - Micro and Small Enterprises * - Others	9,983,543
	9,983,543

Footnote:

Note No. 9 - Other Current Liabilities

Particulars	31.03.2020 Rupees
Current Maturities of long term loans	1,229,112
Statutory remitance	2,246,162
Advances from customers	240,048
	3,715,322

Note No.10 Short term provisions

Particulars	31.03.2020 Rupees
Income tax provision	960,000
	960,000

Note No. 12- Long Term Loans & Advances
Secured, considered good

Particulars	31.03.2020 Rupees
Advance Income Tax Deposit with maturity of more than twelve months	-

Note No. 13 - Inventories

Particulars	31.03.2020 Rupees
Stock in Trade Raw Material	39,096,266
WIP, Wastages & Others	39,451,250
Finished Goods	9,575,500
	88,123,016

Note No. 14- Trade Receivables
Secured, considered good

Particulars	31.03.2020 Rupees
Trade Receivable outstanding for a period exceeding six months	
Others Trade Receivables	56,282,984
	56,282,984

Note No. 15 - Cash And Cash Equivalents

Particulars	31.03.2020 Rupees
(a) Cash in hand	1,467,519
(b) Balances with banks	1,587,937
Deposits with maturity of more than twelve	
	3,055,455
Less Deposits with maturity of more than	-
	3,055,455

Note No. 16- Other Current Assets

Particulars	31.03.2020 Rupees
Advance Taxes & Duties	6,018,885
Others Loans & Advances	809,233
ADVANCES FROM SUPPLIERS	526,995
G. TOTAL	8,355,115

TIKANI EXPORTS LIMITED

For Tikana Exports Limited
Director

For Tikana Exports Limited
Director

V.K. AGGARWAL & CO.
CHARTERED ACCOUNTANTS
FRN 007345N
M. No.-91133

TIKANI EXPORTS LTD.
Vill. Meharban, Rahon Road,
LUDHIANA

M/s Bhandari Knit Exports a partner ship firm was converted into M/s Tikana Exports Limited under Chapter XXI (Companies Authorized to register) under Sec 366 of the Companies Act.2013 w.e.f 23.08.2019

Note No. 11

Particulars	Gross Block				Depreciation					Net Block	
	As on 23.08.2019	Additions during the year	Sale/ Transfer	As on 31.3.2020	Rate	As on 23.08.2019	During the year	Adj/ Sale	upto 31.03.2020	As on 31.3.2020	As on 31.03.2019
Machinsery	14,451,265		0	14,451,265	6.63%	6,728,113	558,903		7,287,016	7,164,249	0
Factory Land	132,942,620		0	132,942,620	0.00%	0		0	0	132,942,620	0
Building	31,990,830		0	31,990,830	3.34%	188,785	623,093	0	811,878	31,168,952	0
Temporaray Fittings	56,770			56,770	3.34%	45,568	1,106	0	46,674	10,096	0
Boiler	200,000			200,000	3.34%	180,730	3,897	0	184,627	15,373	0
Trade Marks	47,273			47,273		47,273					
TOTAL	179,678,758	0	0	179,678,758	0	7,190,469	1,186,999	0	8,330,195	171,301,290	0
Previous Year											

(W Bhandari) (Nitin Bhandari)

VIPIN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN: 007245N M. No.-81198 LUDHIANA

(Nitin Bhandari)

TIKANI EXPORTS LIMITED LUDHIANA

TIKANI EXPORTS LTD.
Note 11 FIXED ASSETS

AS PER INCOME TAX

Note No. 11

Particulars	Gross Block			Depreciation			WDV
	WDV 23.08.2019	Additions during the year	WDV 31.03.2020	Rate	During the year for 7 monthd	upto 31.03.2020	As on 31.03.2020
Machinsery	7,723,152		7,723,152	15.00%	1,158,473	1,158,473	6,564,679
Building	1,178,390		1,178,390	10.00%	117,839	117,839	1,060,551
Temporaray Fittings	11,201		11,201	15.00%	1,680	1,680	9,521
Boiler	19,270		19,270	15.00%	2,891	2,891	16,380
			0		0	0	0
TOTAL	8,932,013	0	8,932,013	0.55	0 1,280,882	1,280,882	7,651,131

VIPIN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN : 007245N M. No.-81195 LUDHIANA

TIKANI EXPORTS LIMITED LUDHIANA

TIKANI EXPORTS LTD.
Vill. Meharban, Rahon Road,
M/s Bhandari Knit Exports a partner ship firm was converted into M/s Tikana Exports Limited under Chapter XXI (Companies Authorized to register) under Sec 366 of the Companies Act,2013 w.e.f 23.08.2019

Note No. 17 - Revenue From Operations	
Particulars	31.03.2020
SALE TAXABLE	256,122,679.00
Total	256,122,679.00

Note No. 18- Other Income	
Particulars	31.03.2020
Interest on FDR	77,840.00
Rebate & Discount	562.84
Total	78,402.84

Note No. 19- Cost Of Material Consumed	
Particulars	31.03.2020
Opening stock	4,651,889.00
Purchase during the year	270,120,322.64
Total	274,772,211.64
Less: Closing stock	39,096,266.17
Total	235,675,945.47

NOTE 20 - CHANGE IN INVENTORY OF FINISHED GOODS AND WORK IN PROCESS	31.03.2020
	Rupees
(B) Opening stock	
Work-in-process	34,265,755.00
Finished goods *	13,544,500.00
Total	47,810,255.00
(a) Closing stock	
Work-in-process	39,451,250.00
Finished goods*	9,575,500.00
(Increase) / decrease in Stock	(1,216,495.00)

Note No. 21 - Employee Benefit Expenses	
	31.03.2020
	Rupees
Salary	2,210,893.00
Wages	427,613.00
Staff Welfare	3,420.00
Total	2,641,926.00

Note No.22 - Financial cost	
Particular	31.03.2020
	Rupees
BANK CHARGES	434,024.36
Bank Interest	6,723,375.05
Interest Others	2,720.00
Total	7,160,119.41

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN: 002245N M.No.-81108 LUDHIANA

TIKANI EXPORTS LIMITED LUDHIANA

Note No. 23 - Other Expenses	
Particulars	31.03.2020
	-
Manufacturing Expenses	
DYES & CHEMICALS	4,035,520.00
POWER & FUEL (LS-4)	284,623.00
POWER & FUEL (LS-4)	1,004,825.00
ITC (VAT) NOT ELIGIBLE U/S	5,221.00
AUDIT FEE	21,000.00
FEE & TAXES	14,190.96
INSURANCE CHARGES	59,355.00
LEGAL & PROFESSIONAL CHARGES	25,000.00
PRINTING & STATIONERY	1,440.00
RENT	1,365,000.00
TRAVELLING & CONV. OTHER (FOREIGN)	644,711.00
TRAVELLING EXP.& CONV. OTHER (LOCAL)	44.00
Total	7,457,929.96

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN: 001243N M. No.-81158 LUDHIANA

SUMANI EXPORTS LIMITED LUDHIANA

Note No. 23 - Other Expenses	
Particulars	31.03.2020
	-
Manufacturing Expenses	
DYES & CHEMICALS	4,035,520.00
POWER & FUEL (LS-4)	284,623.00
POWER & FUEL (LS-4)	1,004,825.00
ITC (VAT) NOT ELIGIBLE U/S	5,221.00
AUDIT FEE	21,000.00
FEE & TAXES	14,190.96
INSURANCE CHARGES	56,355.00
LEGAL & PROFESSIONAL CHARGES	25,000.00
PRINTING & STATIONERY	1,440.00
RENT	1,365,000.00
TRAVELLING & CONV. OTHER (FOREIGN)	644,711.00
TRAVELLING EXP.& CONV. OTHER (LOCAL)	44.00
Total	7,457,929.96

VIPAN KUMAR AGGARWAL & CO. CHARTERED ACCOUNTANTS FRN 0[illegible] M. No.-81198 LUDHIANA

TIKANI EXPORTS LIMITED LUDHIANA

(Annexure - XIX) 298

Welcome : BHANDARI HOSIERY EXPORTS LTD (8537) Know More

MANOJ

You are here: / Reports / Query By Account

Query By Account

e-PayOrder Number CHF7162581

Debit Status Success

only 05-02-2021

Razorpay Software Private Limited - B2B

One Lakh Ninety Eight Thousand Nine Hundred 1,98,900.00

00000030011590356

SCB,M.G.LUDHIANA MANOJ Maker "CHF7162581" NITIN Authorizer 1 VSBI9722171437

Counterfoil Description BILL_RAZPAYS Payments

Transaction Type Real Time Payments

Click here to view credit and debit account details

You can only enquire the status of transactions through the 'Query by Account' and 'Query by echeque' option under Reports tab. For authorisation please use the 'View Inbox'/'Bulk e-cheque Inbox' under 'Manage Transactions'.

- If your corporate has opted for a separate commission transaction for Interbank Transactions,although the echeque displays the consolidated amount, the commission will be initiated as a separate transaction only (EOD or per Txn as per the mandate of your corporate)
- For NEFT multiple credit transactions, by default the echeque displays the consolidated amount. The commission will be initiated as a separate transaction for each NEFT debit by default or at EOD as per the mandate of your corporate.

© State Bank of India

BHANDARI HOSIERY EXPORTS LUDHIANA

(999)

SBI

Date	: 5 Feb 2021
Account Number	: 00000030011590356
Description	: CA-GEN-PUB OTH-NONRURAL-INR
Name	: BHANDARI HOSIERY EXPORT LTD
Currency	: INR
Corporate Address VILLAGE MEHAR BAN	BHANDARI HOUSE RAHON ROAD LUDHIANA PUNJAB-141007
Branch	: SCB,M.G.LUDHIANA(04046)
Rate of Interest (% p.a.)	: 0.0%
IFS Code	: SBIN0004046
Book Balance	: 539257.82
Available Balance	: 524504.82
Hold Value	: 14753.00
MOD Balance	: 0.00
Uncleared Amount	: 0.00
Balance as on 5 Feb 2021	: 9,97,857.82

Account Statement from 5 Feb 2021 to 5 Feb 2021

Txn Date	Value Date	Description	Ref No./Cheque No.	Branch Code	Debit	Credit	Balance
05/02/2021	05/02/2021	DEBIT-ACHDr HDFC00017000001103 HDFC BANK LIMI-	/	61076	1,43,500.00		8,54,357.82
05/02/2021	05/02/2021	DEBIT-ACHDr HDFC00017000001103 HDFC BANK LIMI-	/	61076	1,16,200.00		7,38,157.82
05/02/2021	05/02/2021	TO TRANSFER-INB BILL_RAZPAYS Payments-	VSBI9722171437CHF7 162581 TRANSFER TO 3199608162090 /	99922	1,98,900.00		5,39,257.82

**This is a computer generated statement and does not require a signature.

BHANDARI HOSIERY EXPORTS LTD
LUDHIANA

SBI

Date	: 5 Feb 2021
Account Number	: 00000030729399785
Description	: CC Stocks (C and I)
Name	: BHANDARI HOSIERY EXPORT LTD
Currency	: INR
Corporate Address	BHANDARI HOUSE RAHON ROAD
VILLAGE MEHAR BAN	LUDHIANA
	PUNJAB-141007
Branch	: SCB,M.G.LUDHIANA(04046)
Rate of Interest (% p.a.)	: 9.15%
IFS Code	: SBIN0004046
Book Balance	: -414574337.37
Available Balance	: 2425662.63
Hold Value	: 0.00
Uncleared Amount	: 0.00
Drawing Power	: 417000000.00
Limit Sanctioned	: 417000000.00
Balance as on 5 Feb 2021	: -41,58,92,997.17

Account Statement from 5 Feb 2021 to 5 Feb 2021

Txn Date	Value Date	Description	Ref No./Cheque No.	Branch Code	Debit	Credit	Balance
05/02/2021	05/02/2021	TO CLEARING-HDF SUN POLYFAB PVT LTD-571	/ 571	10388	83,257.00		-41,59,76,254.17
05/02/2021	05/02/2021	TO CLEARING-HDF SHIVA SALES AND SERVICES-559	/ 559	10388	38,730.00		-41,60,14,984.17
05/02/2021	05/02/2021	TO CLEARING-YES FASHION KNITWEAR-563	/ 563	10388	26,612.00		-41,60,41,596.17
05/02/2021	05/02/2021	TO CLEARING-AXS RESHAM LAL WELDING WORKS-647	/ 647	10388	7,198.00		-41,60,48,794.17
05/02/2021	05/02/2021	BY TRANSFER-RTGS UTR NO: HDFCR52021020573765234-VANSH KNITWEARS	TRANSFER FROM 3199859044307 / VANSH KNITWEARS	3430		20,00,000.00	-41,40,48,794.17
05/02/2021	05/02/2021	TO TRANSFER-CMP BHANDARI HOSIERY EXPORT LTD-	CMP0000000003093194 29AOCT035094 TRANSFER TO 30869634640 Mr. AVTAR SINGH /	99922	30,000.00		-41,40,78,794.17
05/02/2021	05/02/2021	CHQ TRANSFER-RTGS UTR NO: SBINR52021020509795671-652 KUDU INDUSTRIES LTD	/ 652 KUDU INDUSTRIES LTD	4046	20,00,047.20		-41,60,78,841.37
05/02/2021	05/02/2021	BY TRANSFER-RTGS UTR NO: KKBKR52021020500775774-AG GARMENTS	TRANSFER FROM 3199860044304 / AG GARMENTS	4430		7,11,900.00	-41,53,66,941.37
05/02/2021	05/02/2021	CHEQUE DEPOSIT--371680	TRANSFER TO 36694525045 LUDHIANA MILITARY STOR / 371680	1840		10,00,000.00	-41,43,66,941.37
05/02/2021	05/02/2021	TO TRANSFER-INB RTGS UTR NO: SBINR12021020509863560-SECURITIES AND EXCHANGE BOARD OF IN	RTGS INB: AOCT055835 TRANSFER TO 4599110044305 / SECURITIES AND EXCHANGE BOARD OF IN	99922	2,07,396.00		-41,45,74,337.37

**This is a computer generated statement and does not require a signature.

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA

Bhandari Hosiery Exports Ltd.

Sustainable Innovation
Design • Fabric • Garments

(A GOVT. OF INDIA RECOGNISED EXPORT HOUSE)

R.O. : Bhandari House, Village Meharban, Rahon Road, LUDHIANA-141 007 (INDIA)
Phones : +91-88720 16409, +91-88720 16410
E-mail : bhandari@bhandariexport.com Web : www.bhandariexport.com
(Corporate Identification No./CIN : L17115PB1993PLC013930)

ANNEXURE XV

Report on unpaid dues

Sr. No.	Particulars	Details of dues/fine	Amount	Reason for non payment
1.	Pending Dues of SEBI	No	Nil	N.A
2.	Pending Dues of Stock Exchanges	Pending dues of stock exchange are as follows:		
	National Stock Exchange Limited of India	Regulation 17, 18 and 19 of Listing regulations	14,77,360/- (Including GST @ 18%)	Company has filed request application for "Waiver of Fine" in accordance with the **Uniform Policy on Crave Outs** for SOP fines levied as per the provisions of SEBI SOP Circular due to **COVID-19**at respective stock exchange. Status of the said application is still 'under process'. So company has not paid the fine imposed by National Stock Exchange of India.
	BSE Limited	Regulation 17, 18 and 19 of Listing regulations	14,04,200/- (Including GST @ 18%)	Company has filed request application for "Waiver of Fine" in accordance with the **Uniform Policy on Crave Outs** for SOP fines levied as per the provisions of SEBI SOP Circular due to **COVID-19**at respective stock exchange. Status of the said application is still under process. So company has not paid the fine imposed by National Stock Exchange of India.
3.	Pending Dues of Depositories	N.A	N.A	N.A

For Bhandari Hosiery Exports Ltd.

Nitin Bhandari
MD

Manoj Kumar
CFO

BHANDARI HOSIERY EXPORTS LTD. LUDHIANA