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(Please scan this QR code to view the Addendum)

BHARAT FIH
A Foxconn Technology Group Company

BHARAT FIH LIMITED

Our Company was incorporated on 1 May 2015 as a private limited company under the Companies Act, 2013, with the name "Rising Stars Mobile India Private Limited", pursuant to a certificate of incorporation granted by the Registrar of Companies, Andhra Pradesh, at Hyderabad. The name of our Company was subsequently changed to "Bharat FIH Private Limited" pursuant to a special resolution passed by our Shareholders at the Extraordinary General Meeting held on 14 June 2021, and a fresh certificate of incorporation was issued by the Registrar of Companies, Tamil Nadu at Chennai (the "**RoC**") on 30 June 2021. Pursuant to the conversion of our Company to a public limited company and as approved by our Shareholders pursuant to a special resolution dated 22 October 2021, the name of our Company was changed to "Bharat FIH Limited" and the RoC issued a fresh certificate of incorporation on 2 November 2021. For details of changes in the registered office of our Company, see "***History and Certain Corporate Matters – Changes in the registered office***" on page 190 of the Draft Red Herring Prospectus dated 21 December 2021 (the "**Draft Red Herring Prospectus**").

Corporate Identity Number: U31401TN2015PLC143100

Registered and Corporate Office: M-2B, DTA Area, SIPCOT Industrial Park, Phase - II Chennai Bangalore NH- 4, Sunguvarchatram, Sriperumbudur, Kancheepuram 602 106, Tamil Nadu, India;
Tel: +91 44 67113500; **Website:** https://www.bharatfih.com/

Contact Person: Ramachandran Kunnath, Chief Financial Officer, Company Secretary and Compliance Officer; **Tel:** +91 44 6711 3500; +91 44 4713 5000 **E-mail:** investor@bfih-foxconn.com

NOTICE TO INVESTORS: ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS (THE "ADDENDUM")

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF BHARAT FIH LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING UP TO ₹ 50,038 MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 25,019 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 25,019 MILLION (THE "OFFER FOR SALE"), BY WONDERFUL STARS PTE. LTD. (THE "PROMOTER SELLING SHAREHOLDER", AND SUCH EQUITY SHARES, THE "OFFERED SHARES"). THE OFFER SHALL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Potential Bidders may note the following:

a) The Draft Red Herring Prospectus contained the Restated Financial Information of our Company as at and for the six-month periods ended 30 September 2021 and 30 September 2020, and as at and for the Financial Years 2021, 2020 and 2019. Due to the lapse of time, updated restated consolidated financial information as at and for the Financial Year 2022 has become available since the filing of the Draft Red Herring Prospectus with SEBI and the Stock Exchanges. Accordingly, the section titled "***Restated Financial Information***" beginning on page 222 of the Draft Red Herring Prospectus has been updated through this Addendum to provide updated restated financial information of our Company, as at and for the Financial Years 2022, 2021 and 2020, which comprises the restated consolidated statement of assets and liabilities as at 31 March 2022, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of cash flows, the restated consolidated statement of changes in equity for the Financial Year 2022 of the Group, the restated statement of assets and liabilities as at the Financial Years 2021 and 2020, the restated statements of profit and loss (including other comprehensive income), the restated statement of cash flows, the restated statement of changes in equity for the Financial Years 2021 and 2020 of our Company, and the summary of significant accounting policies and explanatory notes prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended. All details in the section titled "***Restated Financial Information***" from this Addendum will be disclosed appropriately in the Red Herring Prospectus and the Prospectus, as and when they are filed with the RoC, SEBI and the Stock Exchanges.

b) The section titled "***Industry Overview***" beginning on page 106 of the Draft Red Herring Prospectus has been updated to include the material updates in relation to the electronic manufacturing services / original design manufacturer industry. Please note that all other details in, and updates to the section titled "***Industry Overview***" will be carried out in the Red Herring Prospectus and the Prospectus, as and when they are filed with the RoC, SEBI and the Stock Exchanges.

c) The section titled "***Our Business***" beginning on page 148 of the Draft Red Herring Prospectus has been updated to include the material updates to the financial and business information of our Company, for the updated restated financial information of our Company, as at and for the Financial Years 2022, 2021 and 2020. Please note that all other details in, and updates to the sections titled "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" beginning on pages 25, 148 and 283, respectively, of the Draft Red Herring Prospectus, will be carried out in the Red Herring Prospectus and the Prospectus, as and when they are filed with the RoC, SEBI and the Stock Exchanges.

d) Due to the appointment of new directors on the Board of our Company, the section titled "***Our Management***" beginning on page 196 of the Draft Red Herring Prospectus has been updated to provide certain details in relation to the appointment of such directors, namely, (i) Aruna Sundararajan as an Independent Director; and (ii) Meng Hsiao-Yi as a Non-Executive Director, in this Addendum. Please note that all other details in, and updates to the section titled "***Our Management***" beginning on page 196 of the Draft Red Herring Prospectus, to provide relevant information and confirmations in relation to these newly appointed directors, including their educational qualifications and prior work experience, will be carried out in the Red Herring Prospectus and the Prospectus, as and when they are filed with the RoC, SEBI and the Stock Exchanges.

e) At the time of filing of the Draft Red Herring Prospectus, our Company satisfied the eligibility conditions under Regulation 6(2) of the SEBI ICDR Regulations. Pursuant to the updated restated financial information of our Company as at and for the Financial Years 2022, 2021 and 2020, our Company is eligible to undertake the Offer under Regulation 6(1) of the SEBI ICDR Regulations. Accordingly, the section titled "***Other Regulatory and Statutory Disclosures***" beginning on page 318 of the Draft Red Herring Prospectus has been updated to include the updated status of compliance with the applicable eligibility conditions. Please note that all other details in, and updates to, the Draft Red Herring Prospectus will be carried out in the Red Herring Prospectus and the Prospectus, as and when they are filed with the RoC, SEBI and the Stock Exchanges.

Potential Bidders may note that in order to assist the Bidders to get a complete understanding of the updated information, the relevant portions of the sections titled "***Industry Overview***", "***Our Business***", "***Our Management***", "***Restated Financial Information***" and "***Other Regulatory and Statutory Disclosures***" have been included in this Addendum. The abovementioned changes are to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand updated pursuant to this Addendum. The information in this Addendum supplements the Draft Red Herring Prospectus and updates the information in the Draft Red Herring Prospectus, as applicable. However, this Addendum does not reflect all the changes that have occurred between the date of filing of the Draft Red Herring Prospectus and the date hereof, and accordingly does not include all the changes and/or updates that will be included in the Red Herring Prospectus and the Prospectus. Please note that the information included in the Draft Red Herring Prospectus will be suitably updated, including to the extent stated in this Addendum, as may be applicable, in the Red Herring Prospectus and the Prospectus, as and when filed with the RoC, SEBI and the Stock Exchanges. Investors should not rely on the Draft Red Herring Prospectus or this Addendum for any investment decision, and should read the Red Herring Prospectus, as and when it is filed with the RoC, SEBI and the Stock Exchanges before making an investment decision with respect to the Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in the Draft Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in the Draft Red Herring Prospectus as "QIBs". The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

For and on behalf of Bharat FIH Limited

Place: Chennai
Date: 21 June 2022

Chief Financial Officer, Company Secretary and Compliance Officer

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER
Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC, Plot No. 27 'G' Block, Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4336 0000 **E-mail:** bharatfih.ipo@kotak.com **Website:** www.investmentbank.kotak.com **Investor Grievance E-mail:** kmccredressal@kotak.com **Contact Person:** Ganesh Rane **SEBI Registration No.:** INM000008704	**Citigroup Global Markets India Private Limited** 1202, 12th Floor, First International Financial Centre G-Block, C54 & 55 Bandra Kurla Complex, Bandra (East) Mumbai 400 098 Maharashtra, India **Tel:** +91 22 6175 9999 **E-mail:** bharatfih.ipo@citi.com **Website:** www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm **Investor Grievance E-mail:** investors.cgmib@citi.com **Contact Person:** Mubeen Uttanwala **SEBI Registration No.:** INM000010718	**BNP Paribas** 1 North Avenue Maker Maxity Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India **Tel:** +91 22 3370 4000 **E-mail:** dl.ipo.bharatfih@asia.bnpparibas.com **Website:** www.bnpparibas.co.in **Investor Grievance E-mail:** indiainvestors.care@asia.bnpparibas.com **Contact Person:** Soumya Guha **SEBI Registration No.:** INM000011534	**HSBC Securities and Capital Markets (India) Private Limited** 52/60 Mahatma Gandhi Road, Fort Mumbai 400 001 Maharashtra, India **Tel:** +91 22 2268 5555 **E-mail:** bharatfihipo2021@hsbc.co.in **Website:** www.business.hsbc.co.in/engb/in/generic/ipo-open-offer-and-buyback **Investor Grievance E-mail:** investorgrievance@hsbc.co.in **Contact Person:** Sanjana Maniar / Rachit Rajgaria **SEBI Registration No.:** INM000010353	**KFin Technologies Limited** Selenium, Tower B, Plot No. 31-32 Financial District, Nanakramguda, Hyderabad, Rangareddi 500 032 Telangana, India **Tel:** + 91 40 6716 2222 **E-mail:** bharatfih.ipo@kfintech.com **Website:** www.kfintech.com **Investor Grievance e-mail:** einward.ris@kfintech.com **Contact Person:** M. Murali Krishna **SEBI Registration No.:** INR000000221

BID/OFFER PERIOD			
BID/OFFER OPENS ON(1)	[●]	**BID/OFFER CLOSES ON (2)**	[●]

(1) *Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*

(2) *Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

TABLE OF CONTENTS

INDUSTRY OVERVIEW **2**
OUR BUSINESS **29**
OUR MANAGEMENT **33**
RESTATED FINANCIAL INFORMATION **34**
OTHER REGULATORY AND STATUTORY DISCLOSURES **88**
DECLARATION **89**

INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from the report titled "Market Assessment for India EMS / ODM Industry" dated 14 December 2021 read with the "Update report on Market Assessment for India EMS / ODM Industry" dated 10 June 2022 (together, the "**F&S Report**") prepared and issued by Frost and Sullivan (India) Private Limited which has been commissioned, and paid for, by us exclusively in connection with the Offer for the purposes of confirming our understanding of the industry we operate in. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance, or base their investment decision, on this information.*

The F&S Report is available on our Company's website at https://www.bharatfih.com/industry-report/. F&S has required us to include the following disclaimer in connection with the F&S Report:

"Market Assessment for India EMS/ODM Industry" dated December 14, 2021 read with the "Update report on Market Assessment for India EMS/ODM Industry" dated June 10, 2022 (the "Report") has been prepared for the proposed initial public offering of equity shares by Bharat FIH Limited (the "Company").

This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("Frost & Sullivan") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

Forecasts, estimates, predictions, and other forward-looking statements contained in this Report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

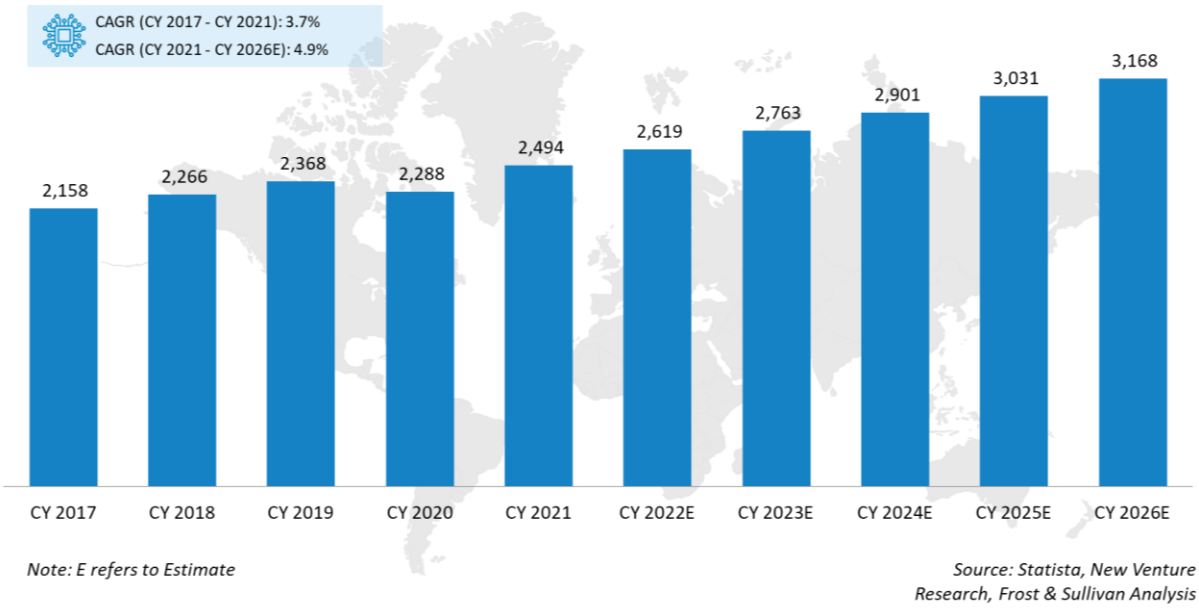
In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this Report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction."

GLOBAL ELECTRONICS INDUSTRY OVERVIEW

Global electronics industry

The global electronics industry has evolved tremendously over the last 60 years. Global demand for electronics is created by multiple emerging disruptive technologies. The overall electronics market includes electronics products, electronics design, electronics components and electronics manufacturing services. The global electronics industry was valued at USD 2,288 billion in 2020 and grew to USD 2,494 billion in 2021. As per Frost & Sullivan analysis, the industry is expected to grow at a CAGR of 4.9% to reach USD 3,168 billion by CY2026. Some of the critical factors driving this growth are increasing disposable income, improved acceptability of audio and video broadcasting, higher broadband penetration, inclination of the youth towards next generation technologies, emergence of e-commerce, rising demand from rural markets especially for washing machines and mobile phones etc.

Overall Electronics industry, global, value in USD billion, growth in %, CY2017-CY2026E



Established in Taiwan in 1974, Hon Hai Technology Group (also known as Foxconn and the parent company of Bharat FIH) is the world's largest electronics manufacturing service provider. The group has been ranked 22 among Fortune Global 500 companies in 2021, 4 places higher than its rank in 2020.

Foxconn is also the leading technological solution provider, and it continuously leverages its expertise in software and hardware to integrate its unique manufacturing systems with emerging technologies. By capitalising on its expertise in Cloud Computing, Mobile Devices, IoT, Big Data, AI, Smart Networks, and Robotics / Automation, the Group has expanded not only its capabilities into the development of electric vehicles, digital health and robotics, but also into three key technologies – AI, semiconductors and new-generation communications technology – all of which are key to driving its long-term growth strategy, as well as into the four core product pillars: Consumer Products, Enterprise Products, Computing Products and Components and Others.

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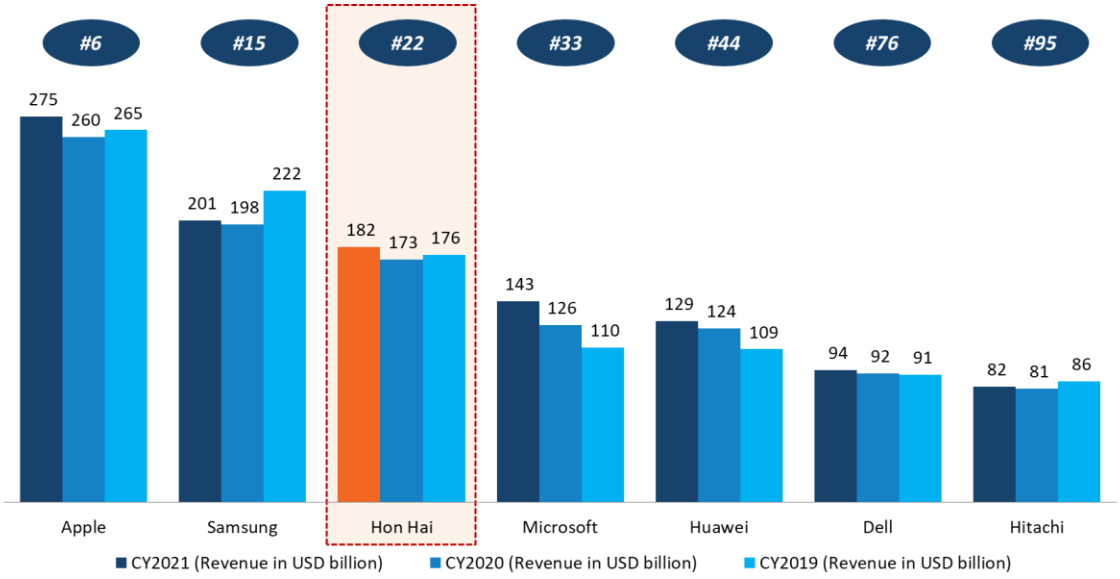
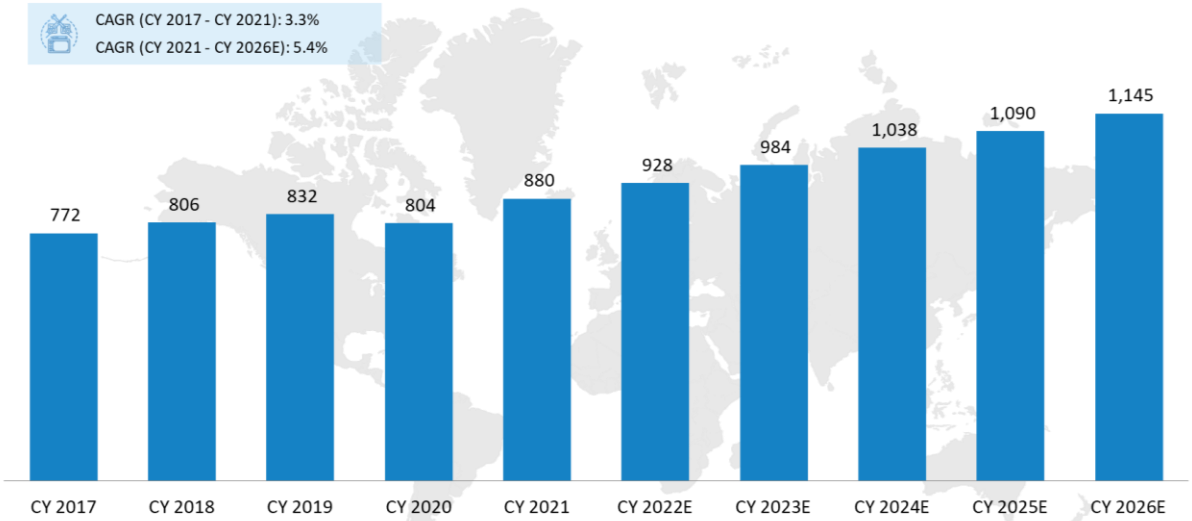
Fortune global 500 companies, CY2019, CY2020 and CY2021



Source: Fortune 500 list, 2021, 2020 and 2019

Electronics Manufacturing Services Industry, Global, value in USD billion, CY2017-CY2026E



Note: E refers to Estimate

Source: Statista, New Venture Research, Frost & Sullivan Analysis

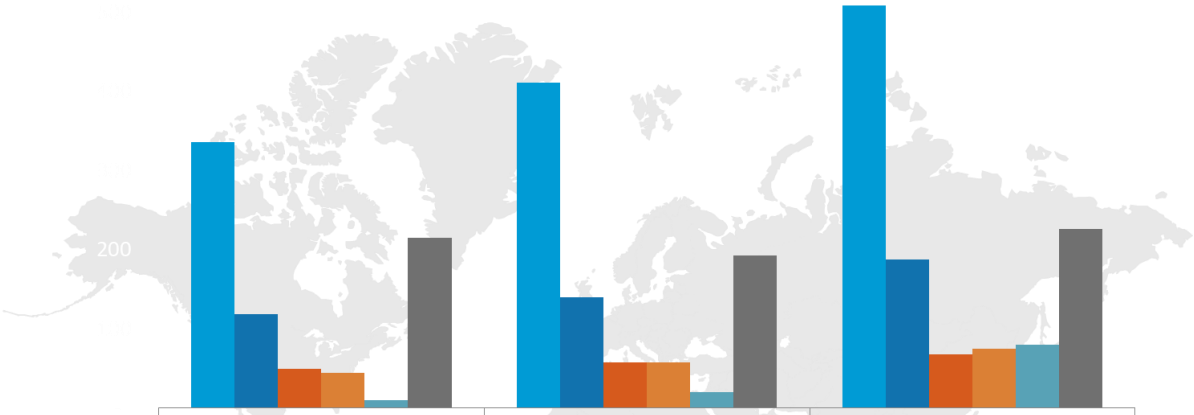
Global Electronics Manufacturing Services market dynamics

A. By geography

China leads the global electronics manufacturing services **(**EMS) business with almost 46.7% market share. Its dominance in the global market is attributed to a blend of cost effectiveness and technological leadership in electronics manufacturing. However, post COVID-19, many global electronics manufacturers are contemplating the 'China + 1' strategy and looking for alternative manufacturing locations for exports business. This is creating tremendous investment potential for countries like Vietnam, India, Philippines, etc. India contributed to approximately 2.2% of the global EMS market in 2021. However, there is a strong push from the Indian government to make India an ideal location for electronics manufacturing in the region. Under the National Policy on Electronics (NPE), the Indian government announced various programmes in 2019, including EMC 2.0, to enhance the infrastructure of electronics manufacturing and offer incentives to manufacture more products that

promote EMS in India. The production linked incentive (PLI) programme, which benefits EMS firms, was introduced in 2020. In the southern state of Tamil Nadu, Chennai, an EMS corridor is being built. The electronics manufacturing clusters (EMC) Smart City investment in Greater Noida is planned at USD 162.7 million.

Electronics Manufacturing Services market break-up by select countries, Global, value in USD billion, CY2017, CY2021 and CY2026E



	CY2017	Market share	CY2021	Market share	CY2026E	Market share
China	336	43.5%	411	46.7%	508	44.4%
USA	118	15.3%	140	15.9%	188	16.4%
Europe	49	6.4%	58	6.6%	68	5.9%
SEA	44	5.7%	58	6.6%	75	6.6%
India	10	1.3%	20	2.2%	80	7.0%
Others	215	27.8%	193	22.0%	226	19.7%

** Others include: Rest of Asia, Latin America (LATAM), Middle East & Africa (MEA)*

Note: E refers to Estimate *Source: Frost & Sullivan Analysis*

B. Competitive landscape of top 10 Global Electronics Manufacturing Services companies

The global EMS market, which accounts for 35% of the total electronics industry, has developed into a significant market for electronics manufacturing. The EMS market has grown steadily over the last few years, owing to increased sales of mobile phones, consumer electronics and IT products. The widespread use of contractual services by original equipment manufacturers (OEMs) is fuelling this growth.

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Operating revenue and R&D expense of top 10 Electronics Manufacturing Services companies, Global, value in USD billion, CY2021

Market share (%)	Total Operating Revenue, USD Billion, CY 2021		R&D Expense, USD Billion, CY 2021	R&D expense of total revenue (%)
24.4%	214.6	Hon Hai Technology (Foxconn)	3.76	1.8%
5.1%	45.2	Pegatron	0.56	1.2%
5.0%	44.2	Compal Electronics	0.59	1.7%
4.6%	40.4	Quanta	0.67	1.3%
3.5%	30.8	Wistron	0.74	2.4%
3.4%	30.0	Jabil	0.03	0.1%
2.9%	25.6	Flex	0.06	0.3%
2.1%	18.6	Inventec	0.38	2.0%
1.6%	13.8	BYD Electronics	0.51	3.7%
1.0%	8.6	USI (Universal Scientific Industrial)	0.25	3.0%

Source: Annual Reports (Company websites), Frost & Sullivan Analysis

Challenges / market restraints hindering the growth of Global Electronics Manufacturing Services industry

Complex structure and delay in supply chain: Supply chain delays causing shortage of components are likely to impact the revenue in the short term. Russia-Ukraine conflict has impacted supply chains in the semiconductor industry. The conflict may have particular impact on the supply of Neon and Hexafluoro butadiene gases, which are an essential element to manufacture semiconductor chips as these are used in the lithography processes for chip production. However, the overall impact of transformation is very low in the mid and long term.

Shortened product lifecycles and uncertain demand: Customer preferences and interests continue to evolve at a breakneck pace. To launch the items on schedule while fulfilling quality and volume objectives, a collaborative effort across difference sections is required. The EMS sector should be able to handle the rise in demand if it reaches exceptional heights. If demand falls, EMS companies must have a strategy in place for the idle raw materials or machinery.

Geopolitical situation

Impact of global chipset shortage on the Electronics Manufacturing Services industry: The global chipset supply shortage intensified in 2021 after the COVID-19 pandemic, as major companies across industries have failed to meet the rising demand for electronic goods and components. Supply chain disruption due to the pandemic, rising demand for electronic products due to work from home arrangements, and a lack of investment in chipset production capacity have contributed to the global chipset shortage. As a result, the price of household appliances and electronics have increased. The supply of finished electronic products and components necessary for local manufacturing has been delayed due to prolonged congestion at Chinese ports and a lack of containers. As semiconductor companies have a high book to bill in the end market shows strong demand. This will significantly increase capital expenditure to meet this demand. Based on the current timing of capacity ramping, analysts predict that there would be a broad based oversupply of semiconductors at some point in 2023.

INDIAN ELECTRONICS INDUSTRY OVERVIEW

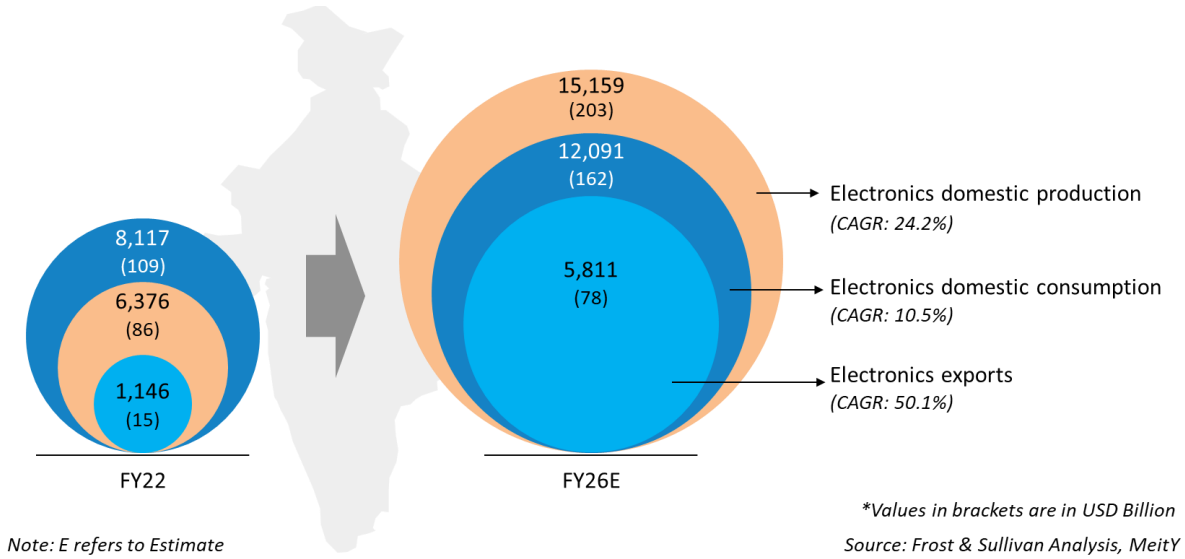
Indian electronics market – historical trends and outlook

Electronics is one of the fastest growing industries in the country. The total electronics market (which includes domestic electronics production and imports of electronic finished goods) in India is valued at INR 9263 billion (USD 124 billion) in FY22, which is expected to grow at a CAGR of 17.9% to reach INR 17,902 billion (USD 240 billion) in FY26. Domestic production accounted for approximately 69% of the total electronics market in

FY22, valued at INR 6,376 billion (USD 86 billion), and is expected to grow at a CAGR of 24.2% to touch INR 15,159 billion (USD 203 billion), owing to various government initiatives to boost domestic electronics manufacturing industry. Also, the global landscape of electronic design and manufacturing is changing significantly, and revised cost structures have shifted the attention of multinational companies to India. At present, the Indian government is attempting to enhance manufacturing capabilities across multiple electronics sectors and to establish the missing links in order to make the Indian electronics sector globally competitive. India is positioned as a destination for high-quality design work as well as a cost-competitive alternative. Many multinational corporations have established or expanded captive centres in India. Increasing penetration of consumer electronics in semi-urban and rural markets, a shift in lifestyle among the Gen Y population, and the adoption of smart devices are some of the key drivers that are assisting the rapid expansion of this industry.

Trends in electronics consumption vs. share of domestic production

Overview of Electronics industry - domestic production vs. consumption vs. exports, value in INR billion, (USD billion), India, FY22 and FY26E



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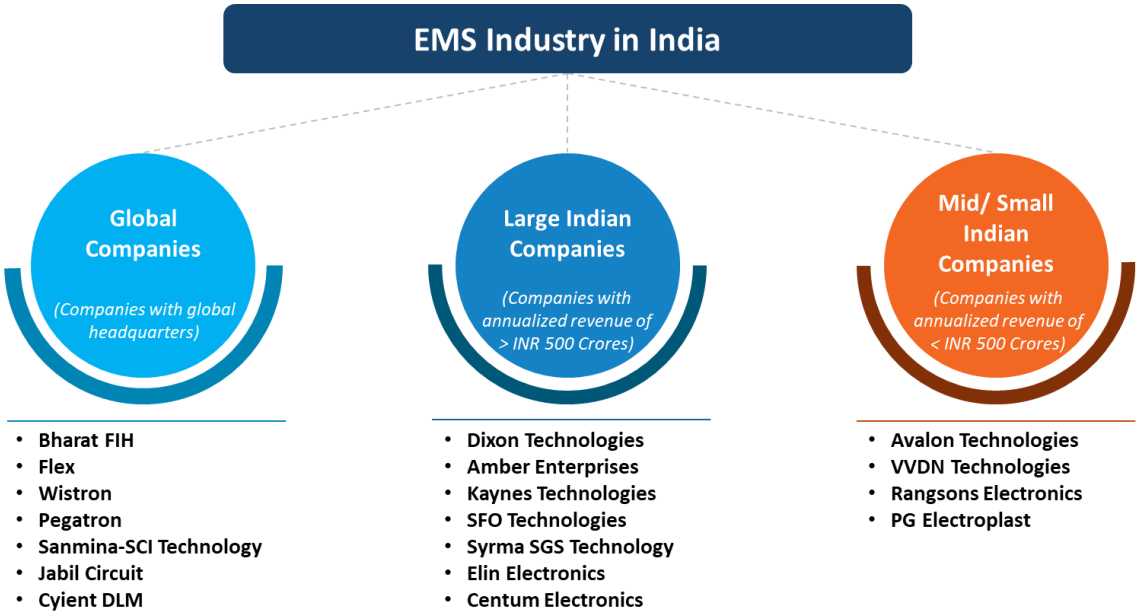
INDIAN EMS INDUSTRY OVERVIEW

Overview of Electronics Manufacturing Services industry in India

Industry structure of Electronics Manufacturing Services market in India



Source: Frost & Sullivan

There are nearly 700 EMS companies in the Indian market, ranging from large, medium-sized, to small players. Mobile phones, consumer electronics and industrial electronics contribute to more than 83% of the total EMS market in India. A few EMS providers are slowly evolving to offer complete design services on top of contract manufacturing. This acts as a win-win situation for both EMS players as well as OEMs; EMS players obtain higher margins through this model, and OEMs benefit by outsourcing manufacturing and design activities, enabling them to focus on other expansion activities. Embracing the original design manufacturer (ODM) model of partnership coupled with venturing into new product segments is propelling OEMs to pursue this engagement. High volumes will influence EMS companies to bring in the component ecosystem locally and enhance domestic capabilities for component sourcing, making the electronics ecosystem stronger.

Indian Electronics Manufacturing Services market size and growth outlook

Indian EMS industry is part of the larger electronics ecosystem of the country. A systematic approach has been followed to separate various components of the Indian electronics market and derive size and potential for EMS businesses in India. The chart below depicts the size of Indian electronics market, various segments of the market and their respective sizes, including Indian EMS market. The chart also shows how each of these segments are likely to grow over medium term until FY26.

In FY22, domestic electronics production is estimated to be USD 86 billion which includes domestically manufactured electronics components worth USD 12 billion and imported components worth USD 18 bn. The remaining market, after subtracting the cost of the components and other expenses (logistics, packaging, administrative expenses, etc.), represents the addressable business opportunities for EMS companies in India. This addressable market worth USD 45 billion consists of three components:

(a) Contribution of Indian EMS companies or Indian EMS market worth USD 20 billion;
(b) In-house electronics assembly by OEMs worth USD 9 billion; and
(c) Imported EMS worth USD 16 billion (this is a direct loss to the EMS companies in India).

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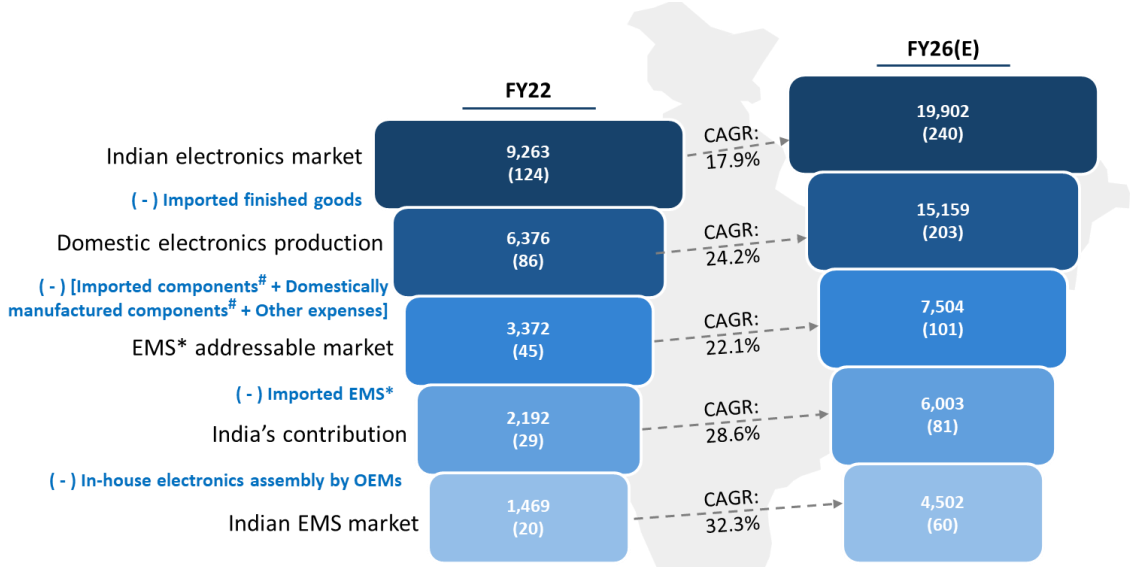
Electronics Manufacturing Services addressable market vs. contribution of Electronics Manufacturing Services companies for goods made in India, value in INR billion, (USD billion), FY22 and FY26E



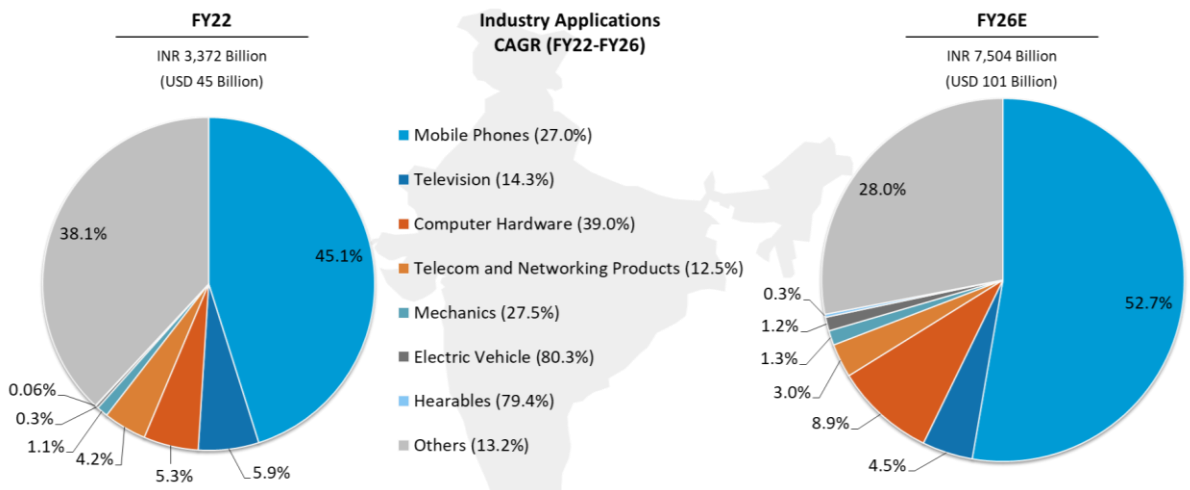
** Box-builds assembly, PCB assembly and various finished sub-assemblies (touch panel assembly, display module, camera module, TFT panel, LED module etc.)*

 # Active, Wound, Electro-mechanical, Passive, LED lighting components, Bare PCB and other components

Values in brackets are in USD billion *Source: MeitY, ELCINA, Frost & Sullivan Estimates*

The total addressable EMS market in India was valued at INR 3,372 billion (USD 45 billion) in FY22, and is expected to grow to INR 7,504 billion (USD 101 billion) in FY26 with a CAGR of 22.1%. Contribution of Indian EMS companies is around 43.5% with a value of INR 1,469 billion (USD 20 billion) in FY22. This is expected to grow at 32.3% CAGR to reach INR 4,502 billion (USD 60 billion) by FY26.

Electronics Manufacturing Services addressable market: Break-up by industry applications (segments of interest for Bharat FIH), India, by value in %, FY22 and FY26E



** Others include Consumer Electronics and Appliances, Automotive, Industrial, Lighting, etc.* *Source: Frost & Sullivan Analysis*

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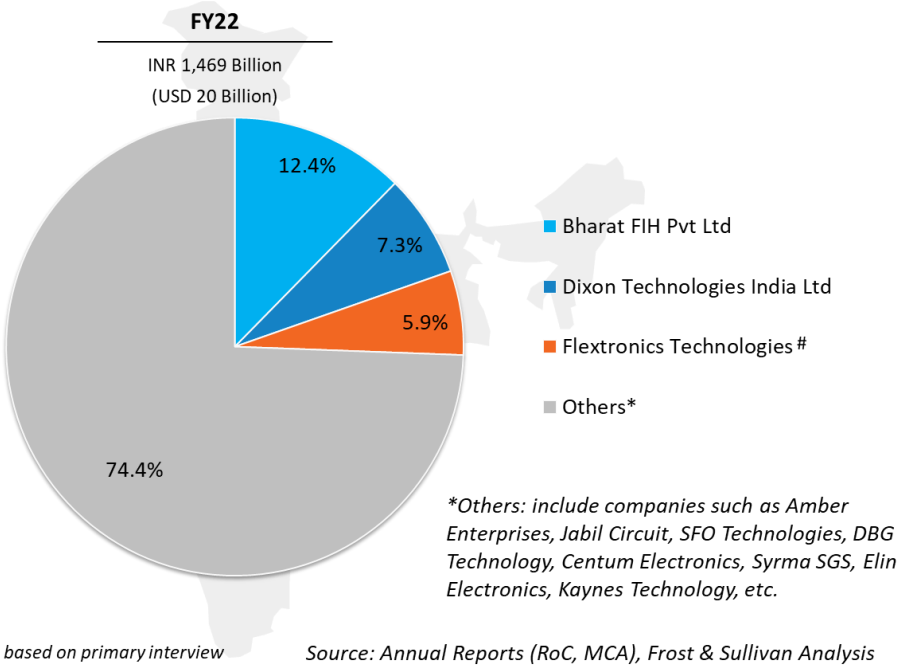
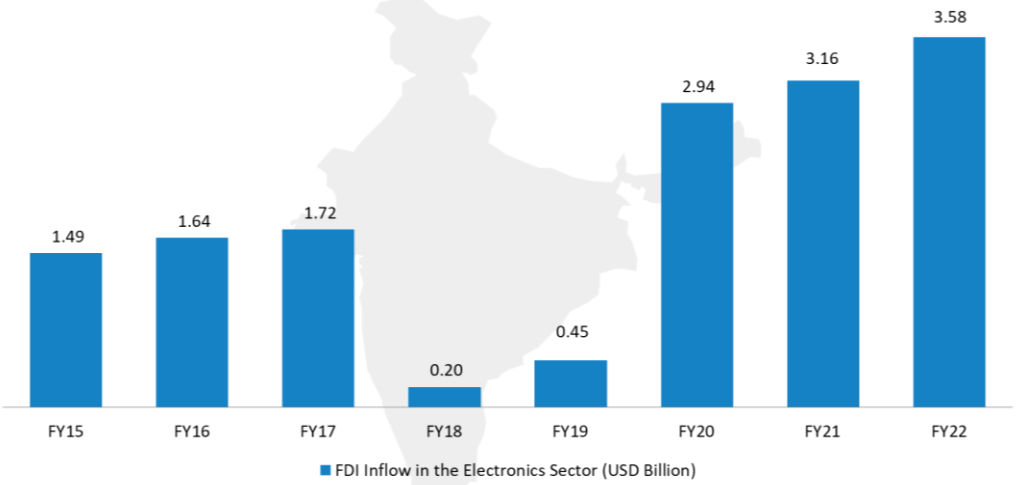
Electronics Manufacturing Services market split by major companies, India, by value in %, FY22



Note: # Flextronics based on primary interview *Source: Annual Reports (RoC, MCA), Frost & Sullivan Analysis*

FDI inflow in the Electronics sector, value in USD billion, FY15-FY22



Source: Department for Promotion of Industry and Internal Trade, Frost & Sullivan

MARKET DISCUSSION FOR SELECT SEGMENTS

There are multiple factors which contributed to the popularity of EMS among electronics OEMs globally in the last four decades:

- Outsourcing helps the OEMs to focus on their core activities (product innovation, marketing and sales). EMS companies in India are evolving to provide design services as well.
- It helps OEMs to reduce operational costs as they no longer need to invest in expensive capital equipment for electronics assembly and testing.
- It helps OEMs to de-bottleneck their capacities and scale up at a faster rate.
- It increases the purchasing power of the OEMs as large EMS companies have experience across a breadth of products and industries and have access to a wider range of suppliers.

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Summation of opportunities from select business segments for Bharat FIH's Electronics Manufacturing Services business in India

Industry	Market dynamics	EMS market size (INR billion)			BFIH Share (FY22)
		FY22	FY26E	CAGR	
Mobile Phones	▪ Fastest growing electronics segment in India and 2nd largest market globally ▪ Account for approximately two-third of EMS business in India ▪ Strong growth outlook backed by favourable govt. policy ▪ EMS companies offer end to end manufacturing services for mobile phones including designing for select models	912	2,723	31.5%	19.6%
Electric Vehicles	▪ Themes such as Connected, Autonomous, Shared and Electric are driving digitalization and requirement for EMS in this space ▪ Significantly higher usage of electronics and controls in electric vehicle (EV) compared to internal combustion engine vehicle (ICEV) ▪ Infotainment electronics is a fast emerging segment ▪ Critical electronics components such as infotainment, battery management system, engine control systems, hands-free communication system etc. are supplied by the EMS companies	6	76	86.8%	17.3%
Televisions	▪ A key segment under consumer durables ▪ Current penetration is approx. 70% ▪ Increasing access to electricity and higher disposable income driving penetration ▪ Introduction of next-gen technologies driving demand among urban population ▪ Designing, printed circuit board (PCB) Assembly for smart TVs, final TV assembly are some of the key offerings of EMS companies in this space	63	186	30.9%	0.2%
Hearables	▪ India is currently world's third largest wearable market ▪ Gaining popularity due to features such as internet connectivity and data exchange between a network and a device ▪ EMS companies offer end to end manufacturing services for hearables including electro-mechanical components	2	20	79.4%	9.3%
Telecom and Networking Products	▪ India is one of the largest exporter of telecom equipment and this trend expected to increase ▪ Increased outsourcing to companies with design, logistics and after sales support services ▪ Data centre storage solutions, racks and enclosures, gigabit ethernet passive optical network (GPON), internet protocol private branch exchange (IP PBX), Media Gateway, Router, Modems, 5G infra related solutions etc. are some of the current and future offerings of the EMS companies in this space	57	109	17.8%	-
IT Hardware	▪ EMS activity significantly lower compared to other segments ▪ Starting from basic PCB assembly to manufacturing of final products such as desktop PCs, notebook PCs, tablets, adaptors and workstations are offered by EMS companies in this space. ▪ Strong growth potential considering Indian can service 15 – 20% of global demand in next 5 – 6 years	45	314	62.6%	-
Mechanics	▪ Mechanics business, includes notably injection moulding, paint mechanics, metal stamping, computer numerical control (CNC) machines and electro mechanics assembly ▪ Strong growth outlook	20	64	33.3%	-

Mobile Phone

Market size and outlook of mobile phones in India

In FY22, the size of the Indian mobile phone market was 255 million units by sales volume. The market is expected to grow at a CAGR of 9.7%, from FY22 to FY26 to reach 370 million units by sales volume. Smartphone market share is expected to increase by 3% year-on-year and to gain three quarter of the market by FY22. One of the key factors driving the growth of smart phones is the shrinking price difference between feature phones and smart phones. In the rural market, smartphone penetration will be slower than in the urban market. Aside from aesthetics, the increasing popularity of smartphones can be attributed to advancements in higher random access memory (RAM), high-quality cameras, processors for faster mobile phone operation, as well as other functions such as longer battery life, better applications and larger screens.

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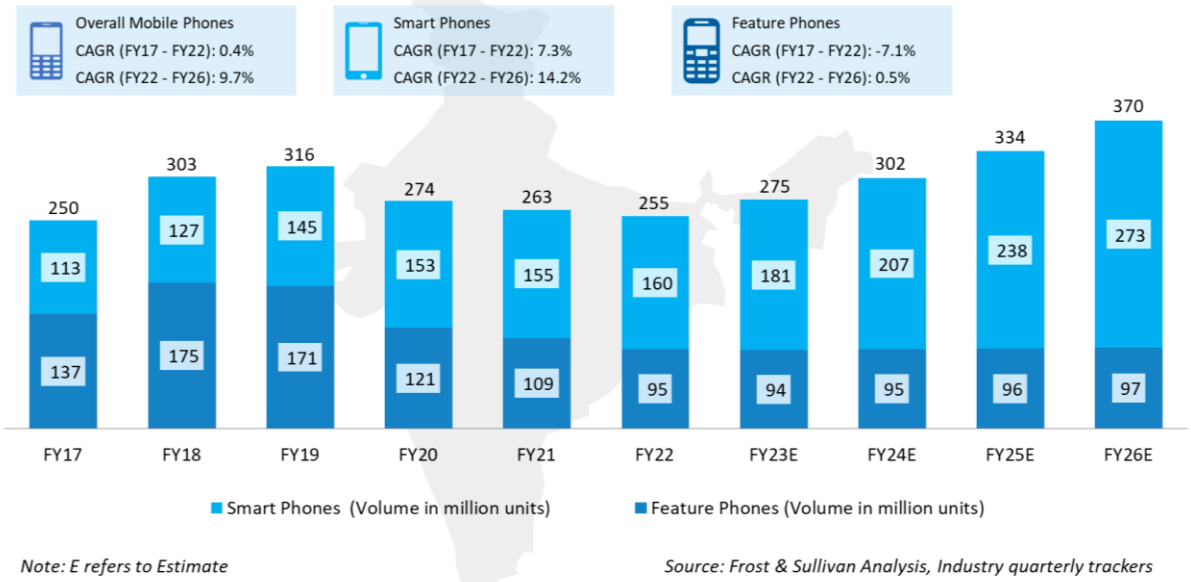
Mobile phone market, volume in million units, India, FY17-FY26E

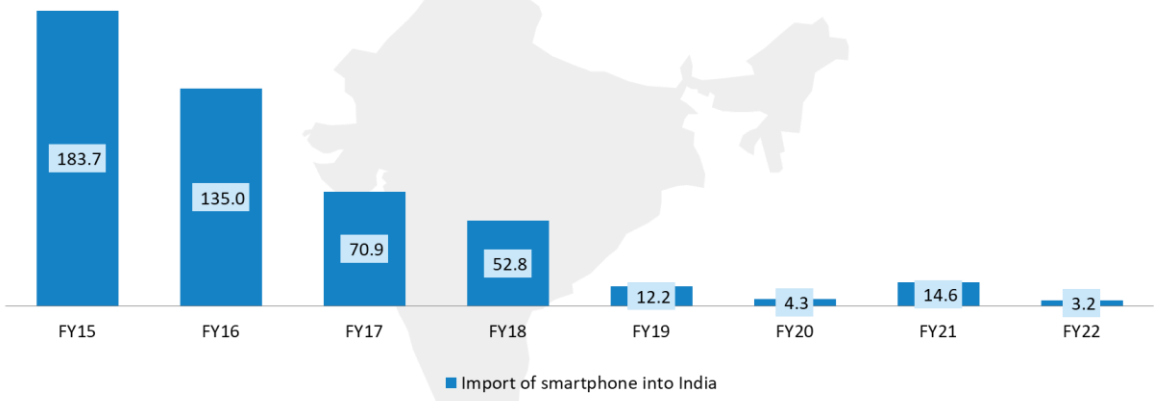


Note: E refers to Estimate

Source: Frost & Sullivan Analysis, Industry quarterly trackers

Import of smartphones in the country had exponentially declined over the years, which is a testament to the growing manufacturing / assembly capability in the country. Smartphone import had reached a new low of 3.2 million units in FY22 after peaking slightly at 14.6 million units in the COVID-19 impacted year FY21.

Import of smartphone into India; volume in million units, India, FY15 – FY22



Note: E refers to Estimate

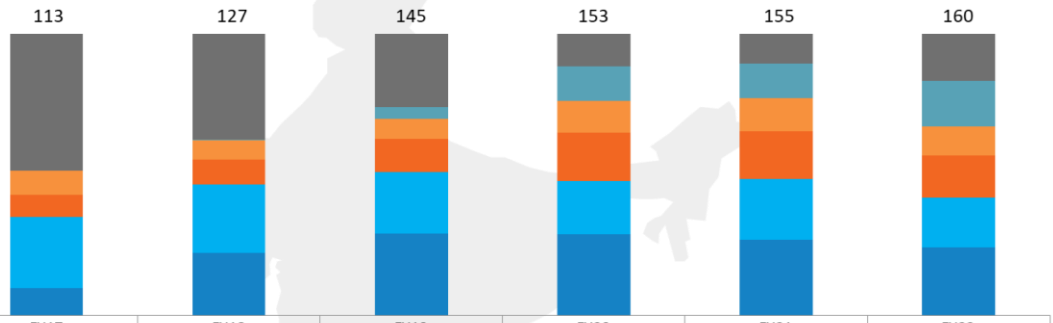
Source: Frost & Sullivan Analysis, Ministry of Commerce (Export data bank)

Competitive landscape of Original Equipment Manufacturers

The Indian mobile phone market is dominated by foreign players, especially Chinese and Korean companies. Xiaomi, Samsung, Vivo, Oppo, and RealMe are the market leaders in the smart phone segment. Itel, Samsung, Lava, Nokia, Jio and Karbonn are the leaders in feature phone segment. Competitive intensity is on the rise due to the increasing number of market participants and higher spending on R&D to create differentiation. According to FY22 data, Xiaomi is the market leader in smart phone sales in India and Itel is the market leader in feature phone sales in India. Bharat FIH is the largest mobile phone manufacturing and assembly services provider to Xiaomi, which is the leading supplier of smart phones in India with 27% and 24% volume share in FY21 and FY22. Samsung, one of the leading players with presence in both the smart phone and feature phone segments,

has decided to exit the feature phone segment by the end of 2022 and focus only on the smart phone category, particularly with regards to phones priced above INR 15,000.

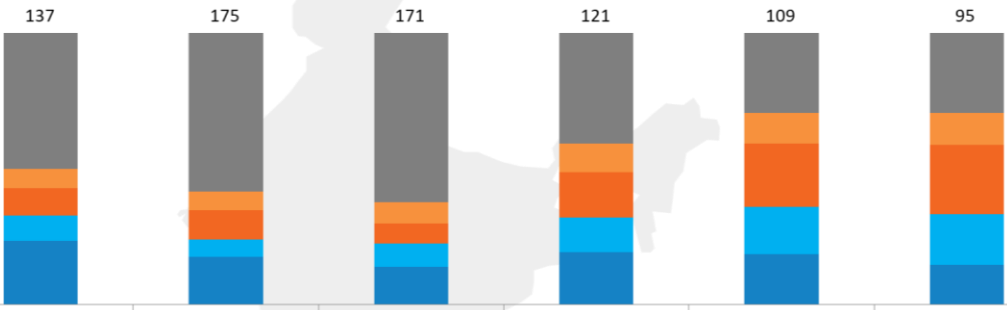
Market share of Smart phones by key players, volume in million units, in %, India, FY17 –FY22



	FY17	FY18	FY19	FY20	FY21	FY22
Others	49%	38%	26%	12%	11%	17%
Realme	0%	0%	4%	12%	12%	16%
Oppo	8%	7%	7%	11%	12%	10%
Vivo	8%	9%	12%	17%	17%	15%
Samsung	25%	24%	22%	19%	22%	18%
Xiaomi	10%	22%	29%	29%	27%	24%

Source: Frost & Sullivan Analysis, Industry quarterly trackers

Market share of Feature phones by key players, volume in million units, in %, India, FY17 –FY22



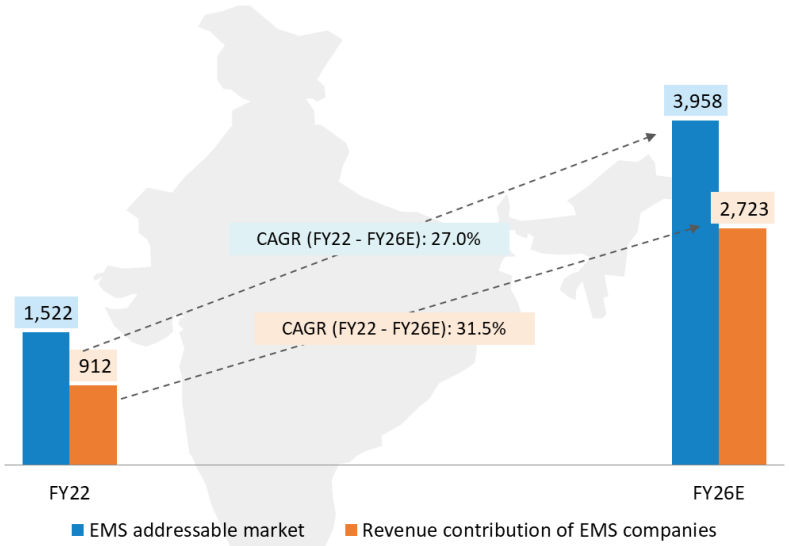
	FY17	FY18	FY19	FY20	FY21	FY22
Others	50%	59%	63%	41%	30%	30%
HMD	7%	7%	8%	10%	11%	12%
Itel	10%	11%	7%	17%	24%	26%
Lava	9%	7%	9%	13%	17%	19%
Samsung	23%	17%	14%	19%	18%	15%

Source: Frost & Sullivan Analysis, Industry quarterly trackers

Mobile phones are the largest EMS segment in India today and Bharat FIH is the largest player operating in the space. Bharat FIH, Dixon, Foxconn, Wistron and Pegatron are the leading EMS companies in India at present. Bharat FIH dominates the mobile phone EMS market with 20% market share in FY22. Cost-competitiveness and a burgeoning domestic electronics market coupled with favourable government policies are expected to have positive impact on the EMS/ODM market in India. The contribution by EMS/ODM in the mobile phone segment is expected to increase significantly in the coming years with as many global EMS companies setting-up local manufacturing capabilities. Companies like Bharat FIH, Flextronics and Dixon are already providing EMS to the leading mobile phone suppliers such as Xiaomi, Apple, Motorola, Lenovo and others. Local EMS capabilities in terms of product assembly, packaging and reverse logistics (at present, only Dixon is offering this service), are some of the attractive proposition for OEMs to consider EMS/ODM for local assembly. Multiple factors such as increasing logistics cost and raw material costs are impacting production costs of the OEMs which in turn drive the ODM model.

Electronics Manufacturing Services / Original Desgin Manufactuers market landscape

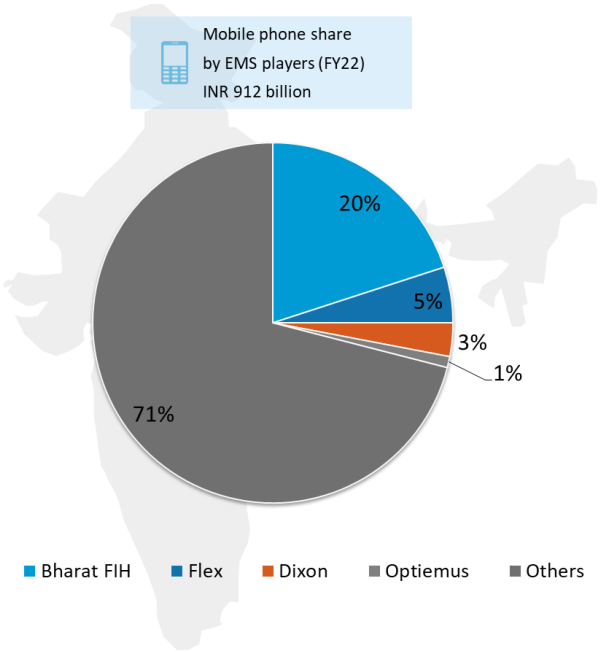
Electronics Manufacturing Services addressable market and revenue contribution of Electronics Manufacturing Services companies for mobile phone segment, value in INR billion, India, FY22-FY26E



** Products considered for analysis: Smart phones and Feature phones*

Note: E refers to Estimate *Source: Frost & Sullivan Analysis*

Mobile phone market share by Electronics Manufacturing Services companies, by value, in %, India, FY22



Source: Frost & Sullivan analysis

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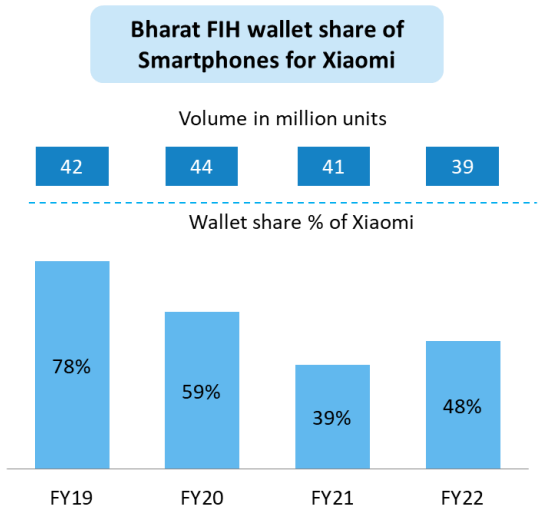
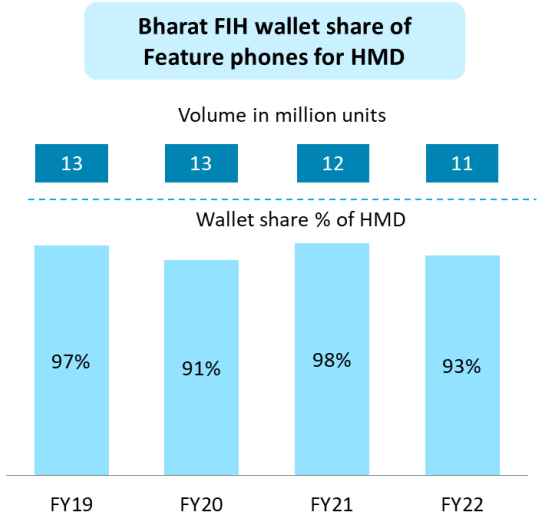
Bharat FIH share of wallet[1] for Xiaomi and HMD[2]

Bharat FIH wallet share for Xiaomi and HMD, India, FY19 –FY22





Source: Frost & Sullivan analysis

Apart from Bharat FIH, Xioami also has association with other EMS companies such as Flex and DBG India, and it has plans for expansion with addition of more assembly facilities. Bharat FIH supplied 48% of Xiaomi's sales in FY22, with the remaining contribution coming in from the other players. According to industry estimates, around 1% of the total Xiaomi mobile phones are imported. Bharat FIH is also the major manufacturer of feature phones for HMD in India having wallet share of around 93% by sales volume in FY22.

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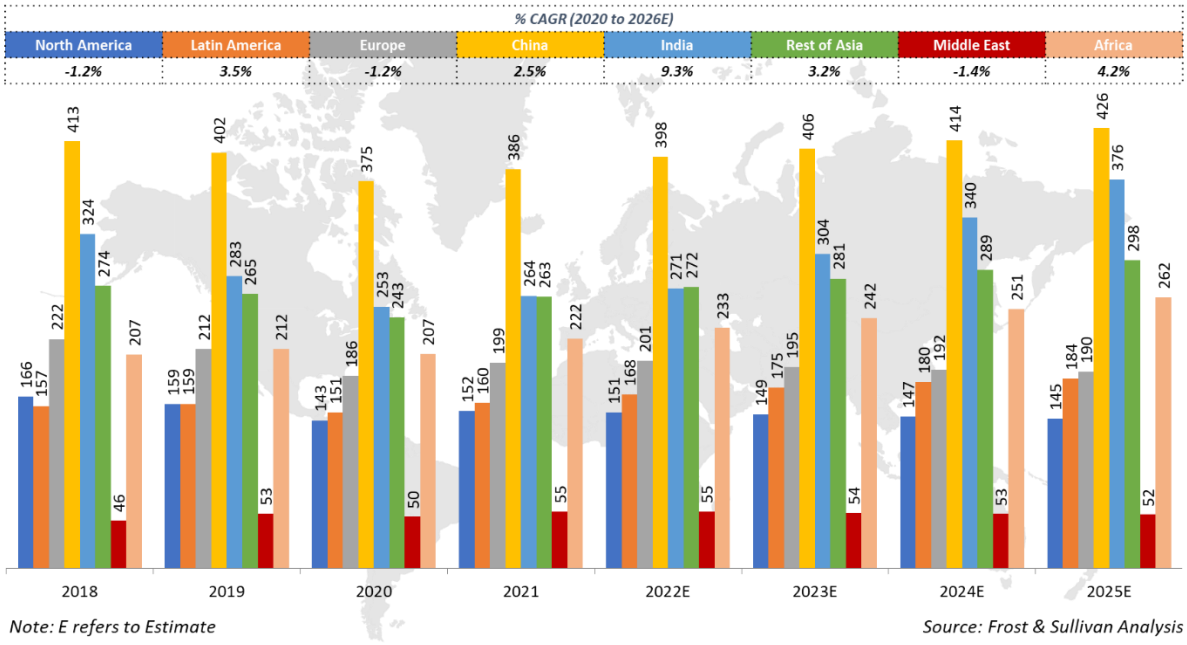
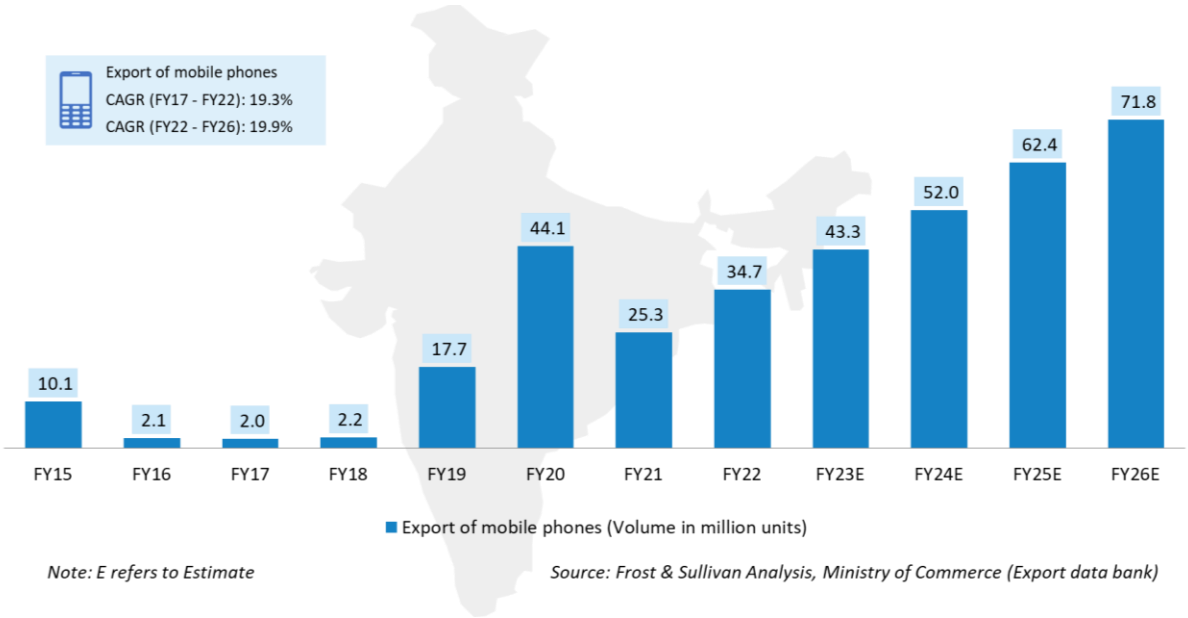
[1] *Share of wallet / Wallet share of mobile phones refer to the percentage of OEMs' mobile phone volume sales contributed by EMS companies. It helps to understand the amount of business an OEM receives from an EMS company.*

[2] *HMD Global OY is the exclusive licensee of Nokia brand for phones and tablets. Nokia is the registered trademark of Nokia Corporation.*

Mobile phone market by region, volume in million units, Global, CY2018-CY2025E



Mobile phone export market, volume in million units, India, FY15-FY26E



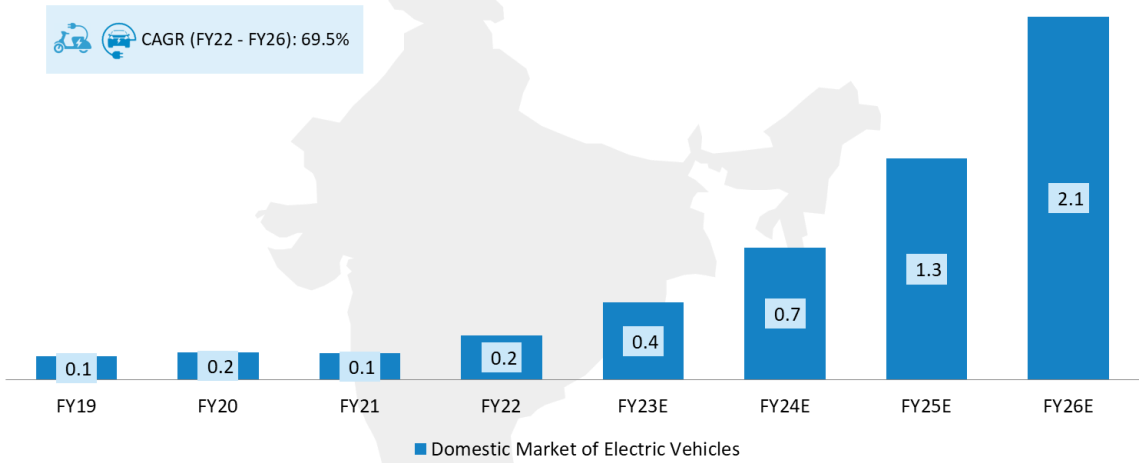
Electric Vehicle

Market size and outlook of Electric Vehicles in India

In FY22, the Indian electric vehicles market was estimated to be 0.2 million units by sales volume. The market is expected to grow at a CAGR of 69.5%, from FY22 to FY26 to reach 2.1 million units by sales volume (2 wheeler and 4 wheeler). At present, EV sales in India are mainly dominated by electric 3 wheelers (e3Ws) followed by electric 2 wheelers (e2Ws). Commercial vehicles and passenger vehicles will follow suit in the further growth of the EV segment. This is because both these segments present a practical business case to switch to electric vehicles. Government incentives and policies have been a major driver of activity in the electric vehicles industry. Lithium-ion batteries have been familiarised since last 2-3 years and have been incorporated in the government's subsidy programme. There have

been initiatives to set up public charging stations in order to promote the growth of the electric mobility segment; however, there is still ample gaps to be filled in in the EV infrastructure area.

Domestic market size of Electric Vehicles, volume in million units, India, FY19-FY26E



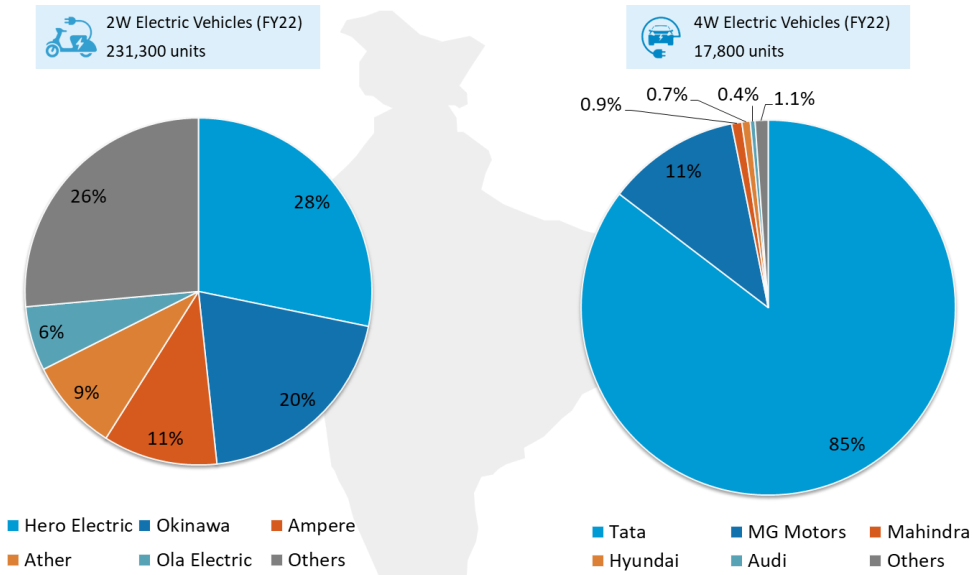
** Products considered for analysis: 2 Wheeler & 4 Wheeler*

Note: E refers to Estimate

Source: Frost & Sullivan Analysis

Competitive landscape of Original Equipment Manufacturers

Electric Vehicles market share of 2 wheeler and 4 wheeler by key players, by volume, in %, India, FY22



Source: Frost & Sullivan analysis, Auto industry trackers

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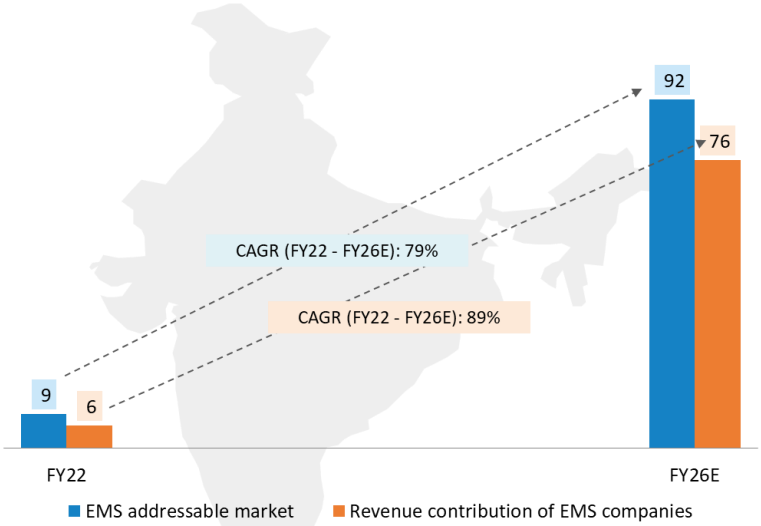
Electronics Manufacturing Services / Original Design Manufacturers market landscape

Electronics Manufacturing Services addressable market and revenue contribution of Electronics Manufacturing Services companies for Electric Vehicle segment, value in INR billion, India, FY22-FY26E



** Products considered for analysis: Vehicle control unit / Power control unit, Battery management system, Head unit and others*

Note: E refers to Estimate *Source: Frost & Sullivan Analysis*

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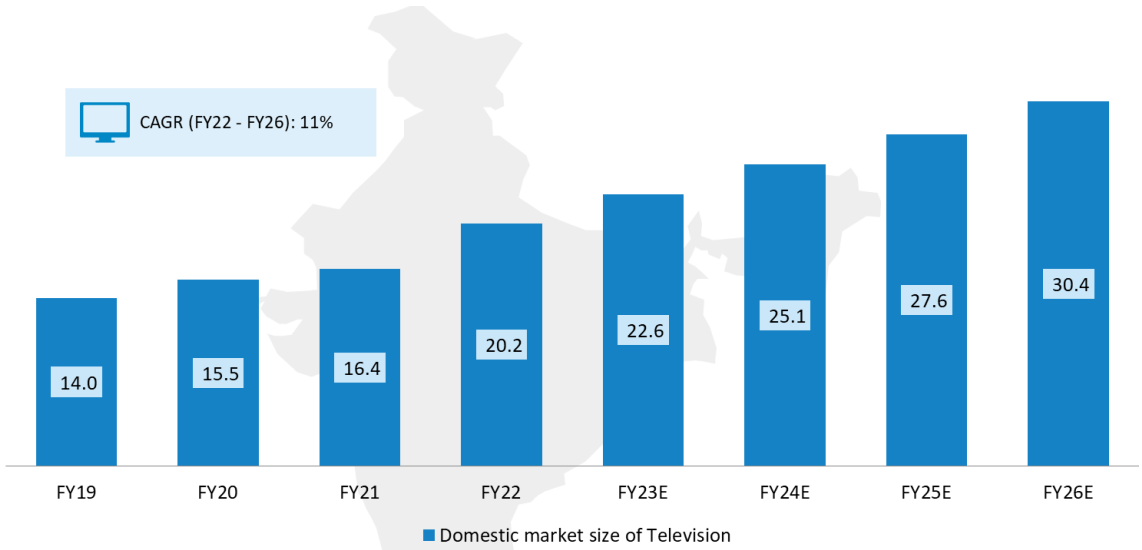
Television

Market size and outlook of Television industry in India

Domestic market size of Television, volume in million units, India, FY19-FY26E

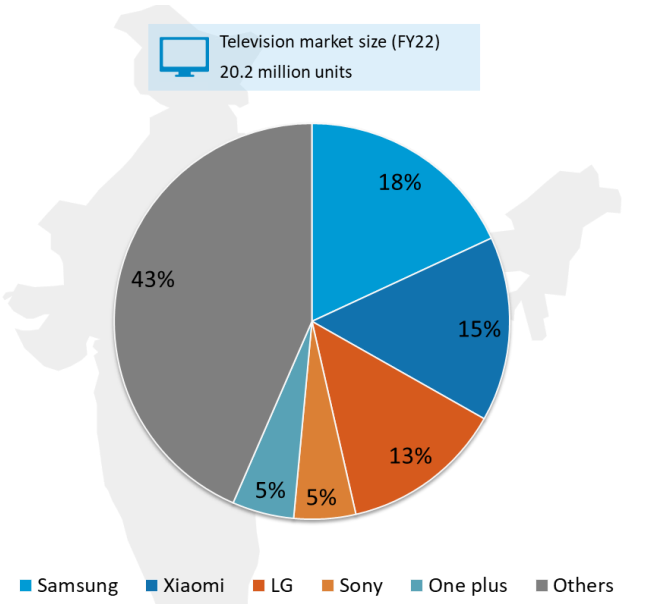


** Products considered for analysis: FPD - LED, LCD, OLED; Smart & Non-smart TV*

Note: E refers to Estimate *Source: Frost & Sullivan Analysis*

Competitive landscape of Original Equipment Manufacturers

Market share of Television by key players, by volume, in %, India, FY22



Source: Frost & Sullivan analysis, Industry quarterly trackers

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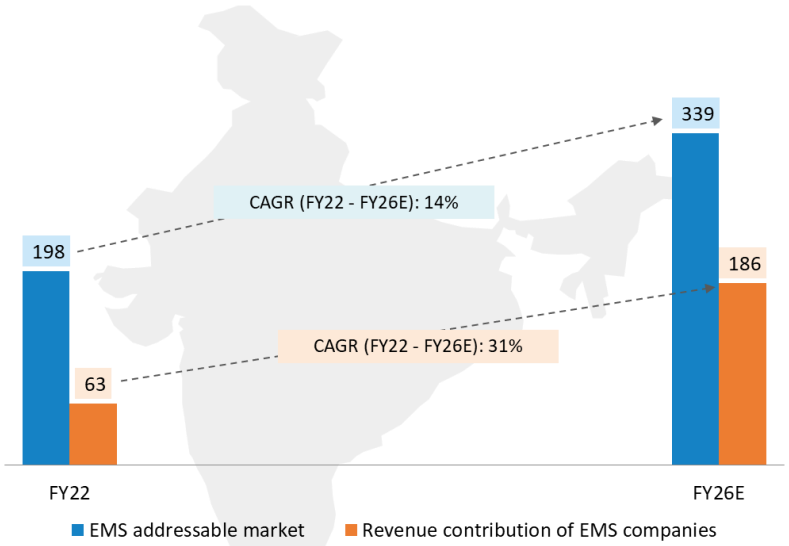
Electronics Manufacturing Services / Original Design Manufacturers market landscape

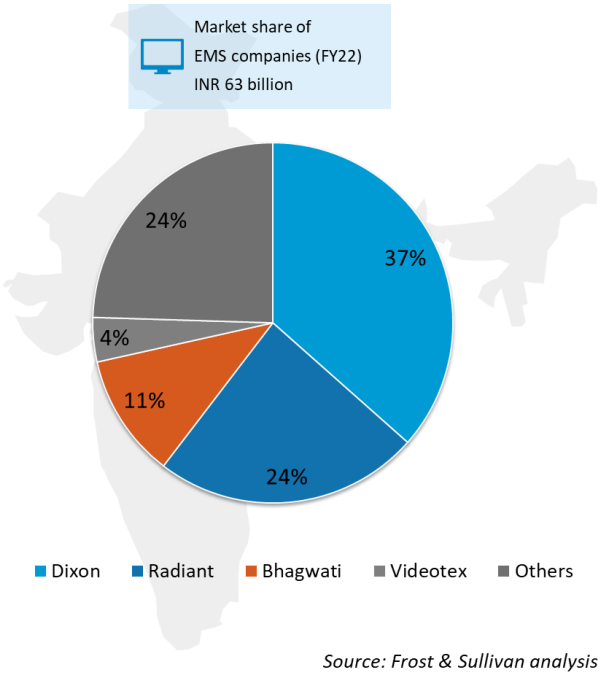
Electronics Manufacturing Services addressable market and revenue contribution of Electronics Manufacturing Services companies for Television segment, value in INR billion, India, FY22-FY26E



** Products considered for analysis: FPD - LED, LCD, OLED; Smart & Non-smart TV*

Note: E refers to Estimate *Source: Frost & Sullivan Analysis*

Television market share by Electronics Manufacturing Services companies, by value, in %, India, FY22



Source: Frost & Sullivan analysis

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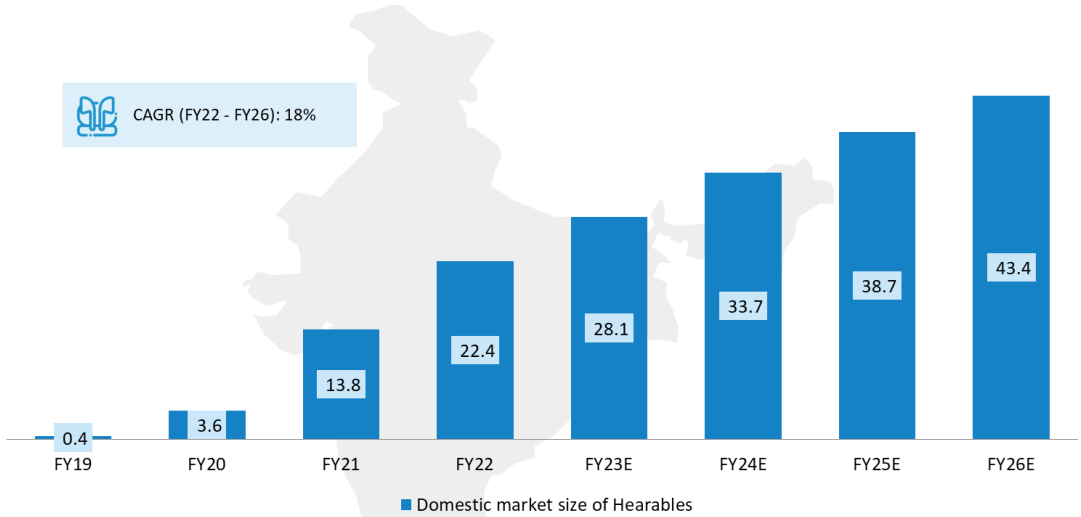
Hearables

Market size and outlook of Hearables industry in India

Domestic market size of Hearables, volume in million units, India, FY19-FY26E



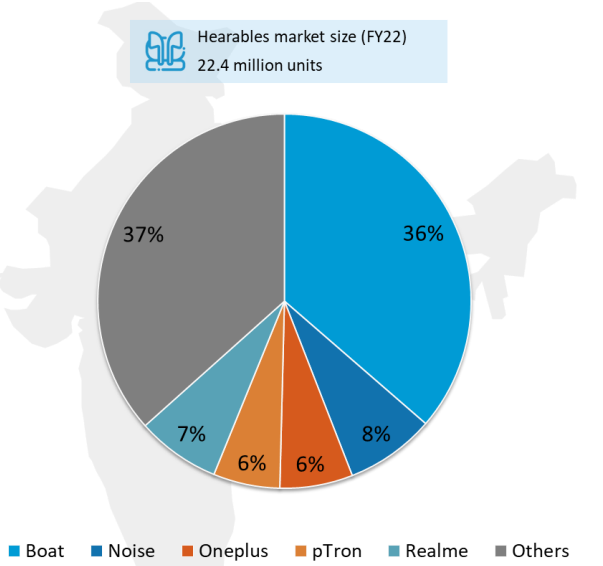
** Products considered for analysis: Hearables TWS (True Wireless Stereo)*

Note: E refers to Estimate

Source: Frost & Sullivan Analysis

Competitive landscape of Original Equipment Manufacturers

Market share of Hearables by key players, by volume, in %, India, FY22



Source: Frost & Sullivan analysis, Industry quarterly trackers

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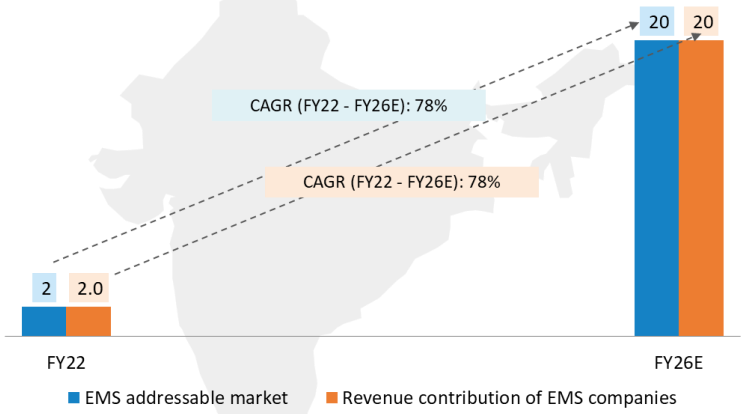
Electronics Manufacturing Services / Original Design Manufacturers market landscape

Electronics Manufacturing Services addressable market and revenue contribution of Electronics Manufacturing Services companies for Hearables segment, value in INR billion, India, FY22-FY26E



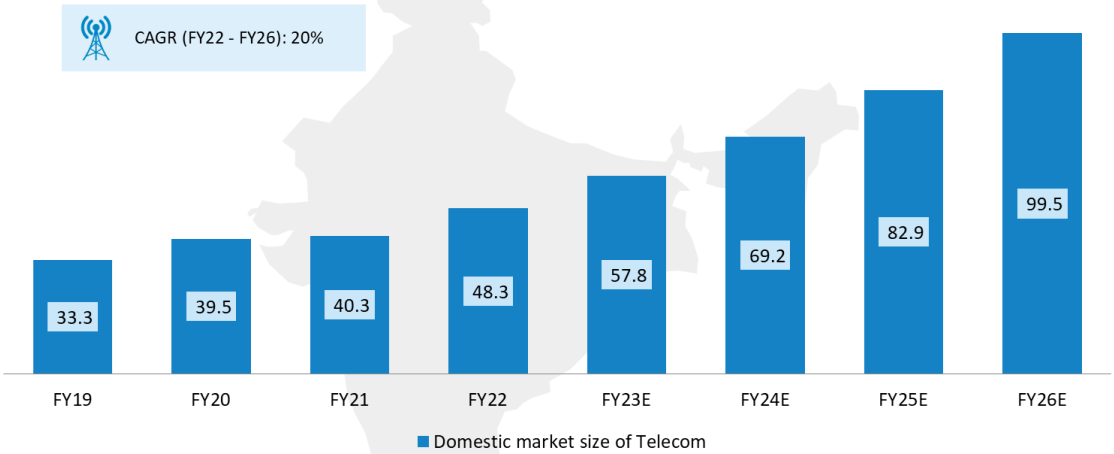
** Products considered for analysis: Hearables TWS (True Wireless Stereo)*

Note: E refers to Estimate *Source: Frost & Sullivan Analysis*

Telecom and networking products

Market size and outlook of Telecom and Networking Products industry in India

Domestic market size of Telecom and Networking Products, Volume in million units, India, FY19-FY26E



** Products considered for analysis: Base Transceiver Station (BTS); Digital Subscriber Line Access Multiplexer (DSLAM); Gigabit Passive Optical Networks (GPON); Internet Protocol Private Branch Exchange (IP PBX); Media gateways; Modems; Enterprise routers; Synchronous Transport Module (STM)*

Note: E refers to Estimate *Source: Frost & Sullivan Analysis*

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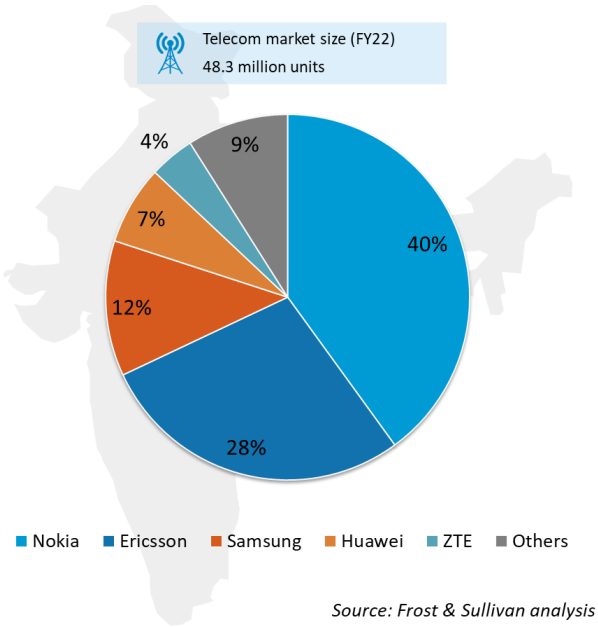
Competitive landscape of Original Equipment Manufacturers

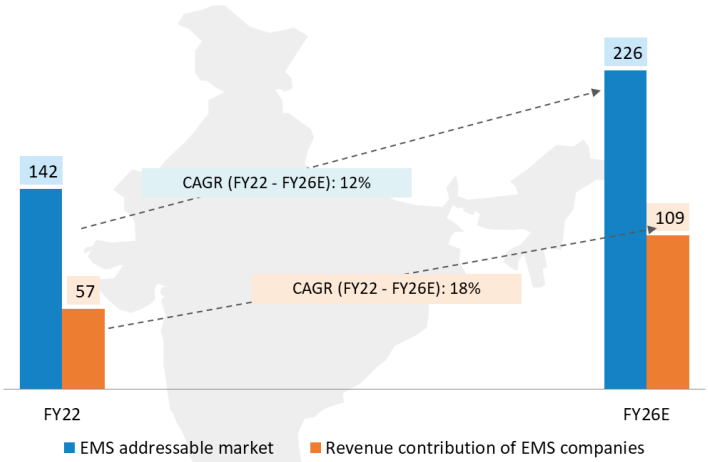
Market share of Telecom and Networking Products by key players, by volume, in %, India, FY22



Source: Frost & Sullivan analysis

Electronics Manufacturing Services / Original Design Manufacturers market landscape

Electronics Manufacturing Services addressable market and revenue contribution of Electronics Manufacturing Services companies for Telecom and Networking Products segment, Value in INR Billion, India, FY22-FY26E



** Products considered for analysis: Base Transceiver Station (BTS); Digital Subscriber Line Access Multiplexer (DSLAM); Gigabit Passive Optical Networks (GPON); Internet Protocol Private Branch Exchange (IP PBX); Media gateways; Modems; Enterprise routers; Synchronous Transport Module (STM)*

Note: E refers to Estimate *Source: Frost & Sullivan Analysis*

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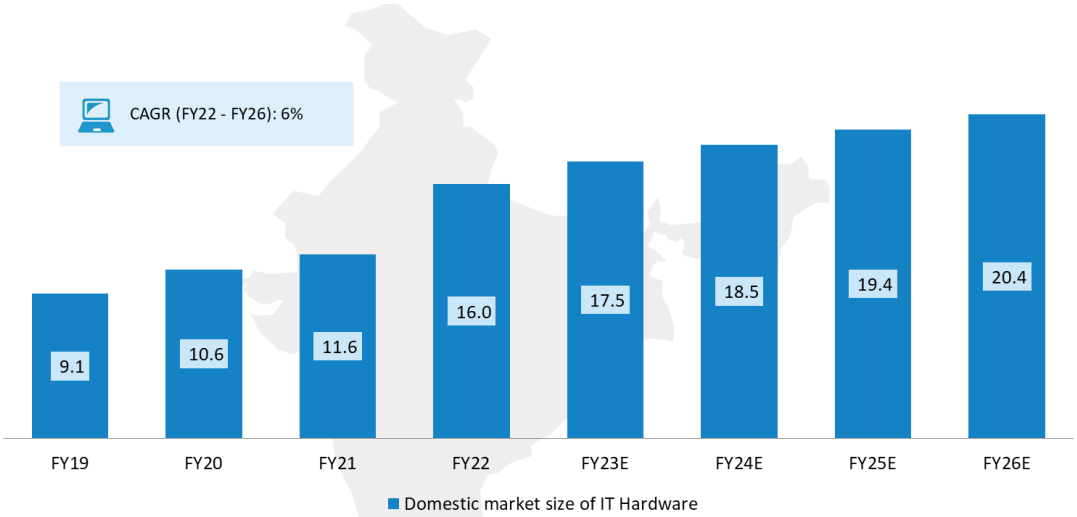
IT Hardware

Market size and outlook of IT Hardware industry in India

Domestic market size of IT Hardware, Volume in million units, India, FY19-FY26E



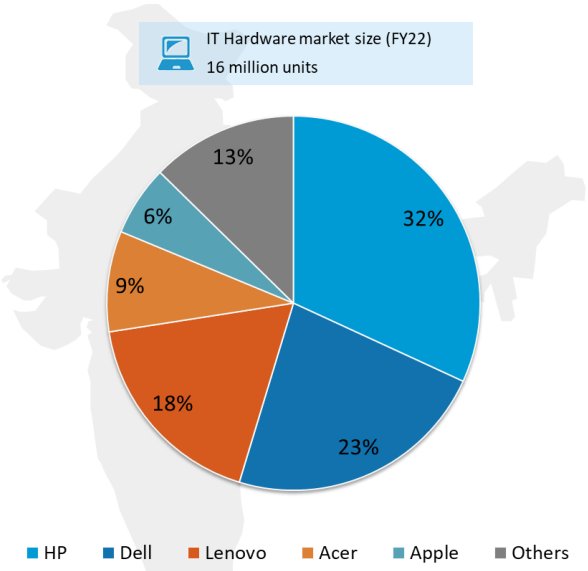
** Products considered for analysis: Desktops, Notebooks and Workstations*

Note: E refers to Estimate

Source: Frost & Sullivan Analysis, Industry trackers

Competitive landscape of Original Equipment Manufacturers

Market share of IT Hardware by key players, by volume, in %, India, FY22



Source: Frost & Sullivan analysis, Industry quarterly trackers

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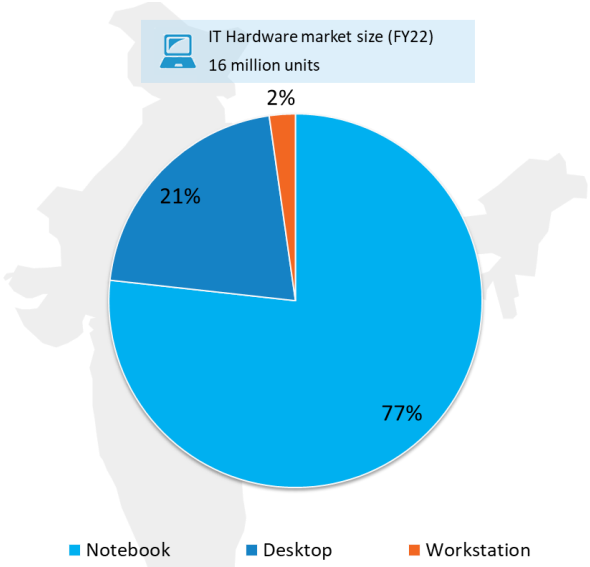
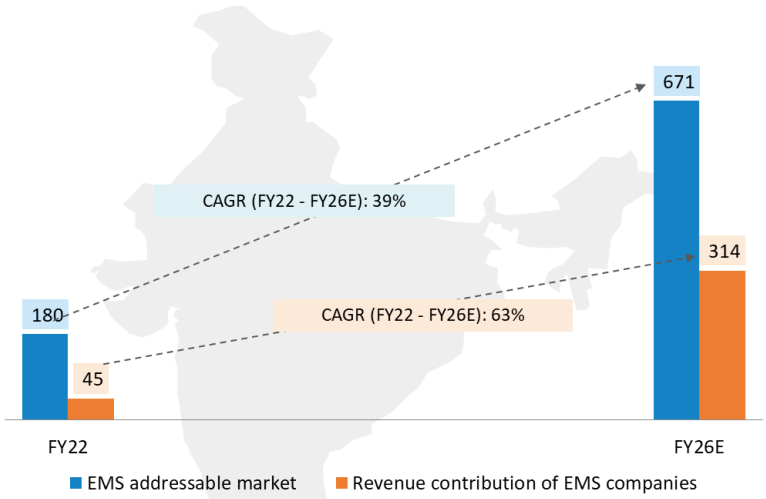
Market share of IT Hardware by types of products, by volume, in %, India, FY22



Source: Frost & Sullivan analysis, Industry quarterly trackers

Electronics Manufacturing Services / Original Design Manufacturers market landscape

Electronics Manufacturing Services addressable market and revenue contribution of Electronics Manufacturing Services companies for IT Hardware segment, Value in INR Billion, India, FY22-FY26E



** Products considered for analysis: Desktops, Notebooks and Workstations*

Note: E refers to Estimate *Source: Frost & Sullivan Analysis*

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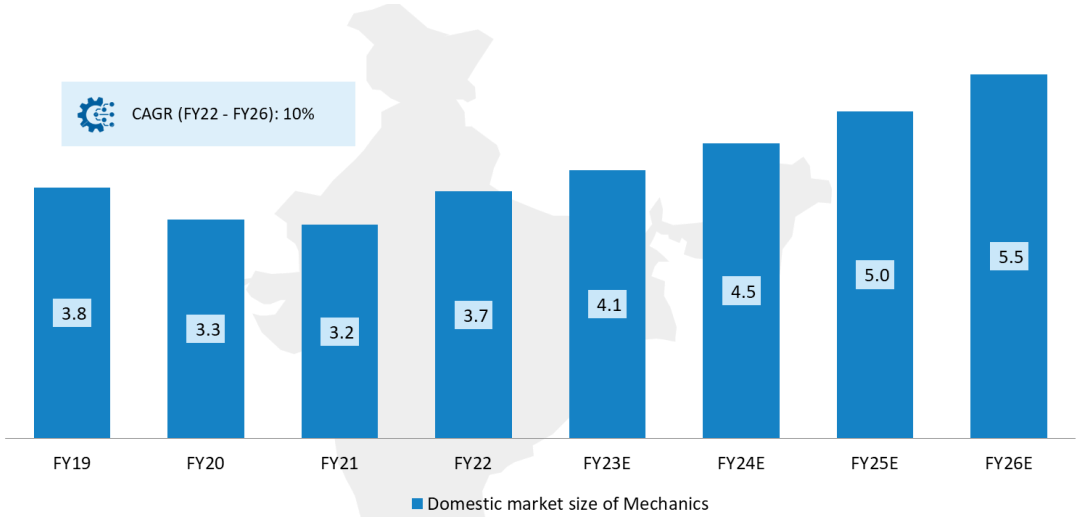
Mechanics

Market size and Competitive outlook

Domestic market size of mechanics, volume in billion units, India, FY19-FY26E

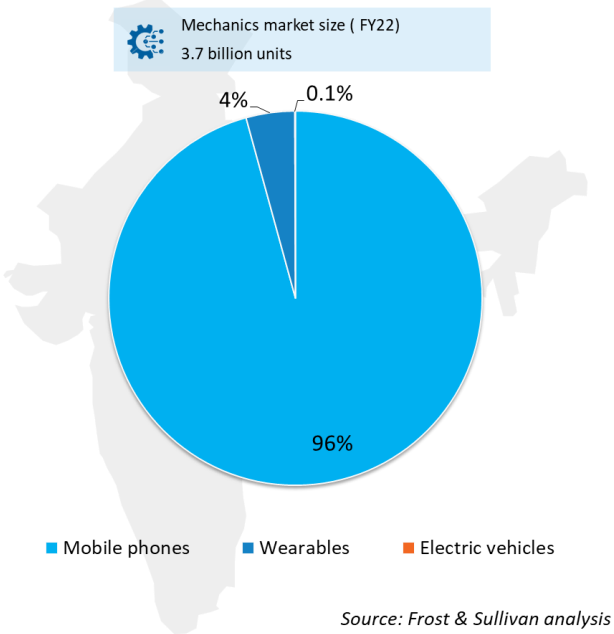


** Products considered for analysis: Mobile phones, Hearables TWS and Electric Vehicles*

Note: E refers to Estimate

Source: Frost & Sullivan Analysis

Mechanics market split by segments, volume in billion units, India, FY22



Source: Frost & Sullivan analysis

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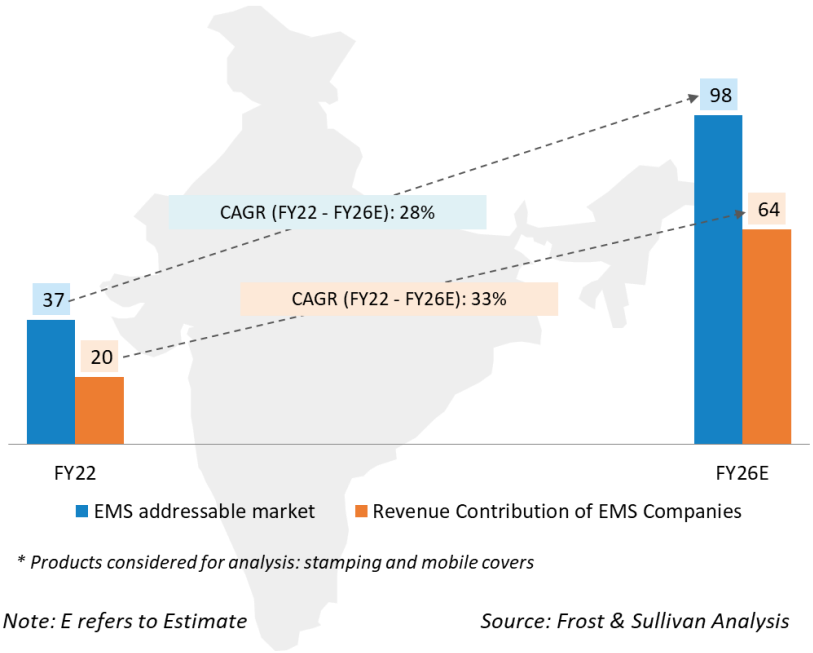
Electronics Manufacturing Services addressable market and revenue contribution of Electronics Manufacturing Services companies for Mechanics segment, value in INR billion, India, FY22-FY26E



** Products considered for analysis: stamping and mobile covers*

Note: E refers to Estimate *Source: Frost & Sullivan Analysis*

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OUR BUSINESS

Unless otherwise indicated or the context requires otherwise, the financial information contained in this section is derived from our Restated Financial Information as of and for the Financial Years 2022, 2021 and 2020 and should be read together with the information included in the section "Restated Financial Information" included in this Addendum.

In evaluating our business, we consider and use certain key performance indicators that are presented herein as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for our financial statements. We present these key performance indicators because they are used by our management to evaluate our operating performance. These key performance indicators have limitations as analytical tools. Further, these key performance indicators may differ from similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to our financial statements or as an indicator of our operating performance, liquidity, profitability or results of operations.

Unless the context otherwise requires, in this section, references to "we", "us", "our" and similar terms are to our Company together with the Subsidiaries.

OVERVIEW

The following table sets forth key financial data for the periods indicated:

	Financial Year		
	2022 (Consolidated)	**2021 (Standalone)**	**2020 (Standalone)**
		(₹ million)	
Revenue from Operations	181,492.04	158,548.58	266,355.58
EBITDA*	4,927.82	3,869.32	6,932.76
EBITDA %	*2.72%*	*2.44%*	*2.60%*
EBIT*	2,248.14	1,683.17	4,677.32
EBIT%	*1.24%*	*1.06%*	*1.76%*
Profit after Tax#	1,950.57	1,619.15	3,897.13
Profit after Tax %	*1.07%*	*1.02%*	*1.46%*
Net Worth	30,315.65	28,357.35	26,738.78
Net Debt**	(4,104.59)	(8,612.82)	(11,463.46)
Return on Capital Employed*	*9.95%*	*9.72%*	*26.55%*
Fixed Asset Turnover Ratio*	26.31	21.61	36.71
Capital Employed Turnover Ratio*	8.03	9.15	15.12

** See "**Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures**" on page 296 of the Draft Red Herring Prospectus.*
*** See "**Management's Discussion and Analysis of Financial Condition and Results of Operations – Capital Allocation**" on page 297 of the Draft Red Herring Prospectus.*
 # Profit after Tax represents Restated profit/(loss) for the year/period.

OUR COMPETITIVE STRENGTHS

Long-term, strategic relationships with industry leading OEM customers

The table below sets forth data on Xiaomi's smart phone market share and our relationship with Xiaomi for the periods indicated:

	Financial Year		
	2022	**2021**	**2020**
Xiaomi's smart phone sales volumes (million units)···	39	41	44
Of which our EMS products (million units)[1] ·····	18	16	26
Our wallet share[2] (%) ····	48	39	59
Contribution to our revenue from operations (₹ million)	171,611.33	149,086.78	235,014.92

Notes:

(1) Represents the number of Xiaomi units which were manufactured and assembled by us.

(2) Represents the percentage of Xiaomi's sales by volume for which we provide EMS services.

The table below sets forth data on HMD's feature phone market share and our relationship with HMD for the periods indicated:

	Financial Year		
	2022	**2021**	**2020**
HMD's feature phone sales volumes (million units)···	11	12	13
Of which our EMS products (million units)[1] ·····	10	12	12
Our wallet share[2] (%) ····	93	98	91
Contribution to our revenue from operations (₹ million)·····	7,939.77	9,053.02	15,098.87

Notes:

(1) Represents the number of HMD units which were manufactured and assembled by us.

(2) Represents the percentage of HMD's sales by volume for which we provide EMS services.

Since March 2021 we have commenced business with market-leading brands in the new industries we are diversifying into. These include Ather Energy Private Limited ("Ather Energy") and Ola Electric Technologies Private Limited ("Ola Electric") (electric vehicles), Vu Technologies Private Limited ("VU") (televisions), a major global telecom network customer and ZTE Telecom India Private Limited ("ZTE") (telecom and networking products), and Imagine Marketing Private Limited ("boAt") (hearables). While our relationship with these customers is at a relatively early stage, we started generating revenues from them in Financial Year 2022, as follows:

	Industry	**Finished Products**	**Service Offering**	**Date of First Invoice**	**Revenue in Financial Year 2022** *(₹ million)*
A major global telecom company*	Telecom and Networking Products	Base Trans Receiver and Base Band	PCBA	3 June 2021	50.85
boAt	Hearables	True Wireless Stereos / Head Sets	Final Assembly	25 June 2021	185.36
VU*	Televisions	Television	Final Assembly	13 August 2021	73.20
Neolync	Mobile Phone	Main Printed Circuit Board Assembly	PCBA	27 August 2021	275.10
Ather Energy	Electric Vehicles	Battery Management System	PCBA	2 July 2021	250.72
		Dashboard	PCBA and Box Build		
		Control Board and Drive Power Board	PCBA and Box Build		
Ola Electric	Electric Vehicles	Battery Management System	PCBA	15 September 2021	789.37
		Vehicle Control Unit	PCBA and Box Build		
		Head Unit	PCBA and Box Build		
ZTE	Telecom and Networking Products	Home Gateways	Final Assembly	2 February 2022	0.01

** The revenue has been accounted for on a net basis as the supply of raw materials are predominantly provided for by the customer.*

STRATEGIC BUSINESS UNITS

The following table sets forth our revenues from the key Original Equipment Manufacturer customers of our SBUs for the Financial Year 2022:

	Financial Year 2022 Revenue (₹ million)
Mobile Phones	
Xiaomi	171,611.33
HMD	7,939.77
Neolync	275.10
Electric Vehicles	
Ather Energy	250.72
Ola Electric	789.37
Televisions	
VU*	73.20
Hearables	
boAt	185.36
Telecom and networking products	
A major global company*	50.85

** The revenue has been accounted for on a net basis as the supply of raw materials are predominantly provided for by the customer.*

Mobile Phones

The following table sets forth the number of lines, installed capacity, units produced and revenue for the mobile phones SBU across our Campuses 1 and 3 for the periods indicated.

		Financial Year		
		2022	**2021**	**2020**
	SMT Lines	29	29	29
Smart Phone	Final Assembly Lines	21	21[1]	30
	Installed Capacity[2] (million units)	39.37	38.22	43.40
	Units Produced (million)	18.46	16.14	27.52
Feature Phone	Final Assembly Lines	8	8	7
	Installed Capacity[2] (million units)	17.63	17.55	22.67
	Units Produced (million)	10.16	12.12	11.52
	Revenue from mobile phones and components[3] (₹ million)	179,832.84	158,197.20	263,922.19

Notes:

(1) Our final assembly lines decreased from Financial Year 2020 to Financial Year 2021 due to closure of certain existing facilities and consolidation into new facilities, as well as increased complexity of products resulting in longer assembly lines.

(2) Our manufacturing facilities have specific lines which are configured as per the requirements of the finished products being produced, leading to a variation in the installed capacity for each period.

(3) The revenue from mobile phones and components accounts for the total units sold.

The following table sets forth the key customers of the mobile phones and components SBU, their revenue contribution to the SBU and the revenue from mobile phones and components:

	Financial Year					
	2022		**2021**		**2020**	
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Xiaomi ……	171,611.33	95.43	149,086.78	94.24	235,014.92	89.05
HMD[1]……	7,939.77	4.33	9,053.02	5.72	15,098.87	5.72
Neolync[2] ……	275.10	0.15	-	-	-	-

	Financial Year					
	2022		**2021**		**2020**	
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Others·····	6.64	0.09	57.40	0.04	13,808.40	5.23
Total Revenue of Mobile Phones and components[3] ·	**179,832.84**	100.0	**158,197.20**	100.0	**263,922.19**	100.0

Notes:

(1) HMD's affiliate HMD Global OY is the exclusive licensee of Nokia-branded phones and tablets.

(2) Manufacturer of Jio-branded mobile phones.

(3) The revenue from mobile phones and components accounts for the total units sold.

HUMAN RESOURCES

As at 31 March 2022, we had a total of 3,327 full-time employees based in the states of Andhra Pradesh and Tamil Nadu. In addition, our factories are staffed by a workforce of over 22,000 of whom over 80% are women. The number of our manufacturing workforce may fluctuate significantly during a year due to the seasonality of our business.

OUR MANAGEMENT

Brief details of our new Directors

Set forth below are the brief details of our new Directors:

Name, designation, address, occupation, date of birth, term, period of directorship and DIN	Age (in years)	Directorships in other companies
Meng Hsiao-Yi *Designation*: Non-Executive Director *Address:* 13th Floor No.428, Sec.4, Ren'ai Road, Xinyi District, Taipei City 110054, Taiwan *Occupation*: Professional *Date of Birth:* 12 December 1964 *Term:* Liable to retire by rotation *Period of Directorship:* Director since 10 June 2022 *DIN:* 09375413	57	*Indian Companies* • Nil *Foreign Companies* • FIH Mobile Limited • FIH Precision Component (Beijing) Co., Ltd. • Futaijing Precision Electronics (Beijing) Co., Ltd. • FIH (Tian Jin) Precision Industry Co., Ltd. • FIH Precision Electronics (Lang Fang) Co., Ltd. • InnoPower Beijing Technology Co., Ltd.
Aruna Sundararajan *Designation*: Independent Director *Address:* Ground Floor, Nanma Sacramento, Yacht Club Enclave, Yacht Club, Thevara, Ernakulam 682 013, Kerala, India *Occupation*: Professional (Retired IAS Officer) *Date of Birth:* 12 July 1959 *Term:* Three years with effect from 10 June 2022 *Period of Directorship:* Director since 10 June 2022 *DIN:* 03523267	62	*Indian Companies* • Larsen & Toubro Infotech Limited • Cochin International Airport Limited • National Bank for Financing Infrastructure and Development • Digivriddhi Technologies Private Limited *Foreign Companies* • Pixstory Global Holding Inc.

RESTATED FINANCIAL INFORMATION

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Deloitte Haskins & Sells LLP

Chartered Accountants
ASV N Ramana Tower
52, Venkatnarayana Road
T. Nagar
Chennai – 600 017
Tamil Nadu, India

Tel: +91 44 6688 5000
Fax: +91 44 6688 5050

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors
Bharat FIH Limited (formerly known as Bharat FIH Private Limited / Rising Stars Mobile India Private Limited)
M2/A-1, DTS Area, Sipcot Industrial Park, Phase II, Chennai Bangalore National Highway, NH 4, Sunguvarchatram, Sriperumpudur, Kanchipuram, Tamil Nadu - 602106

Dear Sirs,

1. We have examined the attached Restated Financial Information of Bharat FIH Limited (formerly known as Bharat FIH Private Limited / Rising Stars Mobile India Private Limited) (the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2022, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Cash Flows, the Restated Consolidated Statement of Changes in Equity for the year ended March 31, 2022 of the Group and Restated Statement of Assets and Liabilities as at March 31, 2021 and 2020, the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of Cash Flows, the Restated Statement of Changes in Equity for the years ended March 31, 2021 and 2020 of the Company, the summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on June 20, 2022 for the purpose of inclusion in the Addendum to the Draft Red Herring Prospectus (the "Addendum"), the Red Herring Prospectus (the "RHP") and the Prospectus (the Addendum, the RHP and the Prospectus collectively referred to as the "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and the Registrar of Companies, Tamil Nadu at Chennai, in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation and presentation stated in note 2.1(a) to the Restated Financial Information. The respective Board of Directors of the companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the respective restated financial information, which have been used for the purpose of preparation of this Restated Financial Information by the Board of Directors of the Company, as aforesaid. The respective Board of Directors are also responsible for identifying and ensuring that the Group / company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 18 December, 2021 in connection with the proposed IPO of equity shares of the Issuer;

   b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

   d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Financial Information have been compiled by the management from:

   a) Audited consolidated financial statements of the Group as at and for the year ended March 31, 2022 prepared in accordance with recognition and measurement principles of Indian Accounting Standards (the "Ind AS"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "Consolidated Ind AS Financial Statements") which have been approved by the Board of Directors at their meeting held on June 10, 2022.

   b) Audited Ind AS financial statements of the Company as at and for the years ended March 31, 2021 and 2020 prepared in accordance with the Ind AS, as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "Ind AS Financial Statements"), which have been approved by the Board of Directors at their meetings held on October 20, 2021 and November 30, 2020, respectively.

5. For the purpose of our examination, we have relied on:

   a) Auditors' report issued by us dated June 10, 2022 on Consolidated Ind AS Financial Statements of the Group as at and for the year ended March 31, 2022.

   b) Auditors' reports issued by us dated October 20, 2021 and November 30, 2020 on the Ind AS Financial Statements of the Company as at and for the for the years ended March 31, 2021 and 2020, respectively, as referred in Paragraph [4] above; and

6. As indicated in our audit report referred in paragraph 5(a) above, we did not audit financial statements of two subsidiaries whose share of total assets, total revenues, net cash inflows / (outflows) for the relevant year is tabulated below, which have been audited by other auditors and whose reports have been furnished to us by the Company's management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

(Rs. in million)

Particulars	**As at / for the year ended March 31, 2022**
Total assets	539.49
Total revenue	0.03
Net cash inflow/ (outflows)	538.99

Our opinion on the Consolidated Ind AS Financial Statements is not modified in respect of this matter.

The other auditors of the subsidiaries, as mentioned above, have examined the restated financial information of such subsidiaries and have confirmed that the restated financial information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the year ended March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed by the Group as at and for the year ended March 31, 2022 to the extent applicable;

b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the report submitted by the other auditors mentioned in paragraph 6 above, we report that the Restated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021, and 2020 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2022;

b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Consolidated Ind AS Financial Statements and Audited Ind AS Financial Statements mentioned in paragraph 5 above.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and the Registrar of Companies, Tamil Nadu at Chennai, in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number: 117366W/W-100018

P Usha Parvathy
Partner
Membership Number: 207704
UDIN: 22207704ALHBBJ1762

Place: Chennai
Date: June 20, 2022

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)

Restated Statement of Assets and Liabilities

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

	Particulars	Note No.	As at 31 March 2022 (Consolidated)	As at 31 March 2021 (Standalone)	As at 31 March 2020 (Standalone)
			Rs.	Rs.	Rs.
A	**ASSETS**				
1	**Non-Current Assets**				
	(a) Property, plant and equipment	5A	6,252.43	7,543.47	7,127.15
	(b) Right of use assets	5B	419.20	582.00	531.43
	(c) Capital work-in-progress	5C	90.12	93.92	749.45
	(d) Financial assets				
	(i) Other financial assets	6	374.70	508.13	596.65
	(e) Non-current tax assets (net)	7	-	-	781.02
	(f) Deferred tax assets (net)	36.4	597.39	230.48	189.89
	(g) Other non-current assets	8	56.59	57.09	64.04
	Total non-current assets		**7,790.43**	**9,015.09**	**10,039.62**
2	**Current Assets**				
	(a) Inventories	9	24,092.27	24,760.40	21,897.88
	(b) Financial assets				
	(i) Trade receivables	10	51,077.73	36,087.64	37,689.30
	(ii) Cash and cash equivalents	11	4,104.59	8,612.82	11,463.46
	(iii) Bank balances other than (ii) above		110.00	110.00	-
	(iv) Loans	12	197.08	152.03	156.33
	(v) Other financial assets	13	211.21	114.25	114.43
	(c) Other current assets	14	9,490.36	8,268.68	4,870.50
	Total current assets		**89,283.24**	**78,105.82**	**76,191.90**
	Total Assets		**97,073.67**	**87,120.91**	**86,231.53**
B	**EQUITY AND LIABILITIES**				
1	**Equity**				
	(a) Equity share capital	15	23,809.45	23,809.45	23,809.45
	(b) Other equity	15A	6,506.20	4,547.90	2,929.33
	Total Equity		**30,315.65**	**28,357.35**	**26,738.78**
2	**Non-current liabilities**				
	(a) Financial liabilities				
	(i) Lease Liabilities	34	246.94	517.23	449.96
	(b) Provisions	16	101.82	89.59	66.50
	Total non-current liabilities		**348.76**	**606.82**	**516.46**
3	**Current liabilities**				
	(a) Financial liabilities				
	(i) Lease Liabilities	34	206.55	94.17	99.95
	(ii) Trade payables				
	(A) Total outstanding dues of micro enterprises and small enterprises (Refer Note 30.2)	17	142.93	49.19	12.28
	(B)total outstanding of dues and creditors other than micro enterprises and small enterprises		59,610.70	52,387.75	56,424.34
	(iii) Other financial liabilities	20	487.39	986.26	293.85
	(b) Provisions	21	96.65	109.71	83.54
	(c) Current tax liabilities (net)	22 a	68.59	365.00	-
	(d) Other Current liabilities	22 b	5,796.45	4,164.66	2,062.32
	Total current liabilities		**66,409.26**	**58,156.74**	**58,976.28**
	Total Liabilities		**66,758.02**	**58,763.56**	**59,492.74**
	Total Equity and Liabilities		**97,073.67**	**87,120.91**	**86,231.52**
	See accompanying notes forming part of restated financial information				

As per our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Reg. No:117366W/W - 100018

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

P Usha Parvathy
M.No: 207704
Partner

Place: Chennai
Date: 20-June-2022

Kam Wah Danny Tam
Director

Place: Taipei
Date: 20-June-2022

Hui Chung Chen
Director

Place: Taipei
Date: 20-June-2022

Clement Joshua Foulger
Managing Director

Place: Chennai
Date: 20-June-2022

Ramachandran Kunnath
Chief Financial Officer and Company Secretary

Place: Chennai
Date: 20-June-2022

Bharat FIH Limited (formerly known as Bharat FIH Private Limited / Rising Stars Mobile India Private Limited)
Restated Statement of Profit and Loss
(All amounts in INR millions, except share data or as otherwise stated)

	Particulars	Note No.	For the year ended 31 March 2022 (Consolidated)	For the year ended 31 March 2021 (Standalone)	For the year ended 31 March 2020 (Standalone)
			Rs.	Rs.	Rs.
1	Revenue from operations	23	1,81,492.04	1,58,548.58	2,66,355.58
2	Other income	24	501.31	517.99	337.68
3	**Total Income (1+2)**		**1,81,993.35**	**1,59,066.57**	**2,66,693.26**
4	**Expenses**				
	(a) Cost of materials consumed	25	1,69,838.65	1,46,350.31	2,46,654.59
	(b) Changes in inventories of finished goods and work-in-progress	26	(1,234.24)	580.23	2,326.42
	(c) Employee benefits expense	27	2,694.73	2,999.82	2,757.54
	(d) Finance costs	28	82.99	236.11	281.26
	(e) Depreciation and amortisation expense	5	2,679.68	2,186.15	2,255.44
	(f) Other Expenses	29	5,265.08	4,748.90	7,684.27
	Total Expenses		**1,79,326.89**	**1,57,101.52**	**2,61,959.52**
5	**Restated Profit before tax (3 - 4)**		**2,666.46**	**1,965.05**	**4,733.74**
6	**Tax expense:**				
	(a) Current tax		1,075.40	708.58	1,026.62
	(b) Adjustment of Current Tax Relating to Earlier Years		9.64	(57.34)	-
	(c) Deferred tax (net)		(369.15)	(305.34)	(190.01)
			715.89	**345.90**	**836.61**
7	**Restated Profit For The Year (5 - 6)**		**1,950.57**	**1,619.15**	**3,897.13**
8	**Restated Other comprehensive Income**				
	A (i) Items that will not be reclassified to profit or loss				
	(a) remeasurement of the defined benefit plans		8.91	(0.78)	0.37
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(2.24)	0.20	(0.13)
	(iii) Foreign Exchange Reserve		1.06	-	-
	Restated Total other comprehensive Income/Loss		**7.73**	**(0.58)**	**0.24**
9	**Restated Total comprehensive income (7 + 8)**		**1,958.30**	**1,618.57**	**3,897.37**
10	**Restated Earnings Per Share**	35			
	- Basic (Face Value of Rs. 10 each)		0.82	0.68	2.08
	- Diluted (Face Value of Rs. 10 each)		0.82	0.68	2.08
	See accompanying notes forming part of restated financial information				

As per our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Reg. No:117366W/W - 100018

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

P Usha Parvathy
M.No: 207704
Partner

Place: Chennai
Date: 20-June-2022

Kam Wah Danny Tam
Director

Place: Taipei
Date: 20-June-2022

Hui Chung Chen
Director

Place: Taipei
Date: 20-June-2022

Clement Joshua Foulger
Managing Director

Place: Chennai
Date: 20-June-2022

Ramachandran Kunnath
Chief Financial Officer and Company Secretary

Place: Chennai

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Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Restated Statement of Cashflow
(All amounts in INR millions, except share data or as otherwise stated)

Particulars	For the year ended 31 March 2022 (Consolidated)	For the year ended 31 March 2021 (Standalone)	For the year ended 31 March 2020 (Standalone)
	Rs.	Rs.	Rs.
I. CASH FLOW FROM OPERATING ACTIVITIES			
Restated Profit before tax	2,666.46	1,965.05	4,733.74
Adjustments to reconcile loss before tax to net cash flows:			
Depreciation and Amortisation Expense	2,679.68	2,186.15	2,255.44
Interest and Finance Charges paid (including interest towards lease liabilities)	82.99	236.11	281.26
Loss/ (Gain) on Property, Plant & Equipment Sold / Scrapped / Written off (Net)	155.42	244.83	36.95
Provision/Liabilities No Longer Required Written Back	(190.63)	(96.86)	-
Profit on termination of leases	-	(1.35)	0.43
Interest Income from Bank Deposits & Others	(310.68)	(419.78)	(338.11)
Provision for other receivable	43.32	34.47	-
Unrealised Exchange Loss (net)	46.31	40.55	901.48
Operating Profit Before Working Capital/Other Changes	**5,172.87**	**4,189.17**	**7,871.19**
Adjustments for decrease/(increase) in operating assets:			
Inventories	668.12	(2,862.52)	9,066.10
Trade Receivables	(14,990.08)	1,601.66	(1,758.82)
Other Non Current Financial Assets	90.11	88.52	(131.59)
Loans (Current Financial Assets)	(45.05)	4.30	(71.66)
Other Current Financial Assets	(116.84)	(28.00)	(23.41)
Other Current and Non Current Assets	(1,221.19)	(3,391.24)	(17.00)
Adjustments for (decrease)/ increase in operating liabilities:			
Trade Payables	7,517.81	(3,943.37)	(3,069.44)
Other Financial Liabilities (Current)	13.25	692.41	(816.74)
Other Liabilities (Current and Non-Current)	1,631.80	2,102.35	(70.65)
Provisions (Current and Non-Current)	(0.83)	49.26	69.28
Cash generated from / (used in) operations in Operations	**(1,280.03)**	**(1,497.46)**	**11,047.26**
Direct Taxes (Paid)/ Refund (net)	(1,376.01)	736.72	(32.17)
Net Cash Generated from/ (Used in) Operating Activities	**(2,656.04)**	**(760.74)**	**11,015.09**
II. CASH FLOW FROM INVESTING ACTIVITIES			
Capital Expenditure (including capital advances, net of Payables on purchase of Property, Plant & Equipment)	(1,788.57)	(1,937.99)	(2,054.55)
Proceeds from sale of Property, Plant & Equipment	49.66	-	-
Deposit Balances not considered as Cash & Cash equivalents	-	(110.00)	-
Interest Received on Bank Deposits	330.55	413.48	337.68
Net Cash Used in Investing Activities	**(1,408.36)**	**(1,634.51)**	**(1,716.87)**
III. CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of Short Term Borrowings (net)	-	-	(10,662.01)
Proceeds from issue of equity shares	-	-	7,150.00
Proceeds from borrowings (Net)	-	-	-
Payment of Lease Liabilities	(351.66)	(324.81)	(347.67)
Interest and Finance Charges paid	(92.17)	(130.58)	(226.59)
Net Cash (Used in)/ Generated from Financing Activities	**(443.83)**	**(455.39)**	**(4,086.27)**
IV. Net Increase/(Decrease) in Cash and Cash Equivalents (I + II + III)	(4,508.23)	(2,850.64)	5,211.95
V. Cash and Cash Equivalents at the Beginning of the Year/Period	**8,612.82**	**11,463.46**	**6,251.51**
VI. Cash and Cash Equivalents at the End of the Year/Period(Refer Note 11A)	**4,104.59**	**8,612.82**	**11,463.46**
VII. Reconciliation for Cash and Cash Equivalents			
(a) Cash on Hand	-	0.05	0.05
(b) Balances with Banks			
(i) In Current Accounts	330.14	582.77	313.41
(ii) In Deposit Accounts			
Original maturity less than 3 months	3,774.45	8,030.00	11,150.00
	4,104.59	**8,612.82**	**11,463.46**
See accompanying notes forming part of restated financial information			

As per our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Reg. No:117366W/W - 100018

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

P Usha Parvathy
M.No: 207704
Partner

Place: Chennai
Date: 20-June-2022

Kam Wah Danny Tan
Director

Place: Taipei
Date: 20-June-2022

Hui Chung Chen
Director

Place: Taipei
Date: 20-June-2022

Clement Joshua Foulger
Managing Director

Place: Chennai
Date: 20-June-2022

Ramachandran Kunnath
Chief Financial Officer and Company Secretary

Place: Chennai
Date: 20-June-2022

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Restated Statement of Changes in Equity
(All amounts in INR millions, except share data or as otherwise stated)

A. Equity share capital (Refer Note 15)

Particulars	Rs.
Balance as at 31 March 2019	**16,659.45**
Changes in equity share capital during the year 2019-20	7,150.00
Balance as at 31 March 2020	**23,809.45**
Changes in equity share capital during the year 2020-21	**-**
Balance as at 31 March 2021*	**23,809.45**
Changes in equity share capital during the year 2021-22	**-**
Balance as at 31 March 2022	**23,809.45**

*- During the year 2020-21, the Board of directors in their meeting held on 8th May 2020 and the members of the Group in the extraordinary general meeting held on 29th May 2020, approved the sub-division of equity shares from face value of Rs. 100/- per share into face value of Rs. 10/- each.Consequently the number of shares in the authorised capital has increased from 239,810,000 of Rs.100/- each to 2,398,100,000 of Rs.10/- each and the number of shares in the issued, subscribed, paid up share capital has increased from 238,094,498 of Rs.100/- each to 2,380,944,980 of Rs.10/- each.

- Number of equity shares outstanding as on 31st March 2022 is 2,380,944,980.

Reporting period	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year/period	Balance at the end of the current reporting period
Year ended 31 March 2020	16,659.45	-	-	7,150.00	23,809.45
Year ended 31 March 2021	23,809.45	-	-	-	23,809.45
Year ended 31 March 2022	23,809.45	-	-	-	23,809.45

B. Other Equity

Particulars	Reserves and Surplus		Items of Other Comprehensive Income		Total Rs.
	Retained Earnings Rs.	General Reserve Rs.	Remeasurement of the defined benefit plans Rs.	Foreign Currency Translation Reserve Rs.	
Balance as at 31 March 2019	**(966.84)**		**(1.20)**	**-**	**(968.04)**
Restated for the year 2019-20	3,897.13	-	-	-	3,897.13
Other comprehensive income/ (loss) for the year 2019-20	-	-	0.37	-	0.37
Income-tax on items in other comprehensive income/ (loss) for the year 2019-20	-	-	(0.13)	-	(0.13)
Total comprehensive income/(loss) for the year 2019-20	3,897.13	-	0.24	-	3,897.37
Balance as at 31 March 2020	**2,930.29**	**-**	**(0.96)**	**-**	**2,929.33**
Restated for the year 2020-21	1,619.15	-	-	-	1,619.15
Other comprehensive income/ (loss) for the year 2020-21			(0.78)		(0.78)
Income-tax on items in other comprehensive income/ (loss) for the year 2020-21			0.20		0.20
Total comprehensive income/(loss) for the year 2020-21	**1,619.15**	**-**	**(0.58)**	**-**	**1,618.57**
Balance as at 31 March 2021	**4,549.44**	**-**	**(1.54)**	**-**	**4,547.90**
Restated for the year 2021-22	1,950.57	-	-	-	1,950.57
Other comprehensive income/ (loss) for the year 2021-22	-	-	8.91	-	8.91
Income-tax on items in other comprehensive income/ (loss) for the year 2021-22	-	-	(2.24)	-	(2.24)
Foreign Exchange reserve	-	-	-	1.06	1.06
Total comprehensive income/(loss) for the period ended 31 March 2022	1,950.57	-	6.67	1.06	1,958.30
Balance as at 31 March 2022 (consolidated)	**6,500.01**	**-**	**5.13**	**1.06**	**6,506.20**

See accompanying notes forming part of restated financial information

As per our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Reg. No:117366W/W - 100018

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

P Usha Parvathy
M.No: 207704
Partner

Place: Chennai
Date: 20-June-2022

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Director

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Managing Director

Place: Chennai
Date: 20-June-2022

Ramachandran Kunnath
Chief Financial Officer and Company Secretary

Place: Chennai
Date: 20-June-2022

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

1. Part A: Statement of Restatement Adjustment to Audited Financial Statement

Reconciliation between audited and restated total comprehensive income	**For the year ended 31-Mar-22**	**For the year ended 31-Mar-21**	**For the year ended 31-Mar-20**
Audited total comprehensive income /(loss)	**1,958.31**	**1,618.57**	**3,897.37**
Restatement adjustments	-	-	-
Restated total comprehensive income / (loss)	**1,958.30**	**1,618.57**	**3,897.37**

Reconciliation between audited equity and restated equity	**As at 31-Mar-22**	**As at 31-Mar-21**	**As at 31-Mar-20**
A. Audited equity	**30,315.67**	**28,357.35**	**26,738.78**
B. Material restatement adjustments	-	-	-
C. Total Equity as per Restated Statement of Assets and Liabilities	**30,315.65**	**28,357.35**	**26,738.78**

Part B: Material regrouping

Appropriate groupings have been made in the Restated Statements of Assets and Liabilities as at March 31, 2021 and 2020 and Statement of profit and loss and Statement of cash flows for the years ended March 31, 2021 and 2020, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Group as at and for the year ended March 31, 2022, prepared in accordance with Schedule III of Companies Act, 2013 (as amended), requirements of Ind AS 101 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

1.1 Corporate information

Bharat FIH Limited (formerly known as Bharat FIH Private Limited) ("the Group") was incorporated on 01 May 2015 having registered office in Tamil Nadu, India. The Group is in the business of manufacturing mobile phones. The Group operates in Sunguvachatram-Tamil Nadu, Sricity-Andhra Pradesh caters to the domestic mobile market. The Group started to extend its operations to other diversified businesses. The Group formed two wholly owned subsidiary namely "Rising Stars Hi-Tech Private Limited - India" and "Bharat Taiwan Coporation - Taiwan". The Parent Company, and its subsidiaries together is referred as "the Group".

The name of the Company was changed to Bharat FIH Limited with effect from 02 November 2021

2 Significant accounting Policies

2.1(a) Basis of Preparation and Presentation

The Restated Financial Information comprises of the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2022, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Cash Flows, the Restated Consolidated Statement of Changes in Equity for year ended 31 March 2022 of the Group ; Restated Statement of Assets and Liabilities as at 31 March 2021 and 2020 the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of Cash Flows, the Restated Statement of Changes in Equity for the years ended 31 March 2021 and 2020 of the Company; and the Summary of Significant Accounting Policies and explanatory notes (collectively, the 'Restated Financial Information').

These Restated Financial Information have been prepared by the Management of The Company for the purpose of inclusion in the Red Herring Prospectus ('RHP') prepared by the Group in connection with its proposed Initial Public Offer ("IPO") in terms of the requirements of:
a)Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("the Act");
b)The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (th "Guidance Note").

These Restated Financial Information have been compiled by the Management from:

a) Audited Consolidated Ind AS financial statements of the Group as at and for the years ended 31-March-2022 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "Consolidated Ind AS Financial Statements"), which have been approved by the Board of Directors at their meetings held on 10 June 2022.

b) Audited Ind AS financial statements of the Company as at and for the years ended 31 March 2021 and 2020 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "Ind AS Financial Statements"), which have been approved by the Board of Directors at their meetings held on 20 October 2021 and 30 November 2020 respectively.

Since Rising Stars Hi-Tech Private Limited and Bharat Taiwan Corporation (the "Subsidiaries") were incorporated on 29 April 2021 and 30 June 2021 respectively, the financial information for such entities has been consolidated for the period from the date of their incorporation till 31 March 2022 in accordance with Ind AS 110 "Consolidated Financial Statements". As at and for the years ended 31 March 2021 and 2020 The Company did not have any subsidiaries and accordingly the Group was not required to prepare consolidated financial statements.

The accounting policies have been consistently applied by the Group in preparation of the Restated Financial Information and are consistent with those adopted in the preparation of consolidated financial statements as at and for the year ended 31 March 2022.

The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of board meeting on the audited financial statements mentioned above.

The Restated Financial Information:
a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2021 and 2020 to reflect the same accounting treatment as per the accounting policy and grouping/classifications followed as at and for the year ended 31 March 2022.

b)do not require any adjustment for modification as there is no modification in the underlying audit reports.

2.1(b) Basis of consolidation

The restated financial information comprise the financial statements of the Parent Company and its subsidiaries (incorporated in financial year 2021-2022) for the year ended 31 March 2022.

Subsidiary information

Equity Instruments in subsidiary	No of Shares	As at 31 March 2022	% of Holding
		Rs.	
Rising Star Hi-Tech Private Limited (w.e.f.29-April-2021)	4,99,99,999	500.00	100%
Bharat Taiwan Corporation (w.e.f 28-June-2021)	28,00,000	73.09	100%

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
ii) Exposure, or rights, to variable returns from its involvement with the investee, and
iii) The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the years are included in the restated financial information from the date the Group gains control until the date the Group ceases to control the subsidiary. Restated financial information are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the restated financial information for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's summary statements in preparing the restated financial information to ensure conformity with the Group's accounting policies. The restated financial information of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e. year ended on 31 March 2022.

Consolidation procedure:
i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the restated financial information at the acquisition date.
ii. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill/ reserve.
iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group [profits or losses resulting from intragroup transactions that are recognised in assets (if any), such as inventory, are eliminated in full]. Intragroup losses may indicate an impairment that requires recognition in the restated financial information. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Restated Statement of profit and loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

i. Derecognises the assets (including goodwill) and liabilities of the subsidiary
ii. Derecognises the carrying amount of any non-controlling interests
iii. Derecognises the cumulative translation differences recorded in equity
iv. Recognises the fair value of the consideration received
v. Recognises the fair value of any investment retained
vi. Recognises any surplus or deficit in profit and loss
vii. Reclassifies the parent's share of components previously recognised in OCI to profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Summary of significant accounting policies

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

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

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

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

2.3 Inventories

Inventories are valued at the lower of cost and net realisable value.
The cost of raw materials, components, consumable stores and spare parts and stock in trade are determined on a weighted average basis.
Cost includes freight, taxes and duties and other charges incurred for bringing the goods to the present location and condition and is net of credit under the cenvat scheme and VAT/GST, where applicable.
The valuation of manufactured finished goods and work-in-progress includes the combined cost of material, labour and manufacturing overheads incurred in bringing the goods to the present location and condition.
Due allowance is estimated and made by the Management for slow moving/ non-moving items and defective items of inventory, wherever necessary, based on the past experience and such allowances are adjusted against the carrying inventory value.

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

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

2.5 Cash Flow Statement

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

2.6 Revenue Recognition

The Group derives revenue primarily from manufacture and sale of mobile phones. The Group recognises revenue when a performance obligation is satisfied, i.e. upon transfer of control of promised goods or services to customers in an amount that reflects the fair value of the consideration which the Group expects to receive in exchange for those goods or services . A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Transaction Price:
Revenue is measured based on the transaction price, which is the fixed consideration, amounts payable to customer, principal versus agent considerations and any other rights and obligations as specified in the contract with the customer.

Principal versus agent considerations:
The Group is a principal and records revenue on a gross basis when the Group is primarily responsible for fulfilling the obligation of sale of mobile phones and other goods to the customer, has discretion in establishing pricing and controls the promised good before transferring it to the customer.

Amounts payable to customer:
Consideration payable to a customer includes amounts that an entity pays, or expects to pay, to the customer (or to other parties that purchase the Group's goods or services from the customer). The Group accounts for consideration payable to a customer based on a detailed assessment of facts and circumstances of the contract with the customer. When the Group determines it obtained control of the goods or services purchased from the customer , the Group accounts for the goods or services purchased from customer as noncash consideration received from the customer. The fair value of the non cash consideration, measured at contract inception, is included in the transaction price.If the Group cannot reasonably estimate the fair value of the good or service received from the customer, it shall account for all of the consideration payable to the customer as a reduction of the transaction price.

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

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

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

2.7 Property, Plant and Equipment

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

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

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

Capital Work-in-Progress:

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

Depreciation:

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

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

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

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

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

Derecognition of Property, Plant and Equipment:

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

2.8 Foreign Currencies

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

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

2.9 Government Grants and Export Benefits

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

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

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

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

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

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

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

2.10 Financial Instruments

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

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

2.11 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets:

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

• the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

• the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

All other financial assets are subsequently measured at fair value.

Impairment of financial assets:

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

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

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

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

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

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

De-recognition of financial assets:

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

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

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

Foreign exchange gains and losses:

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

• For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

• Changes in carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currecy rates are recognised in other comprehensive income.

• For the purposes of recognising foreign exchange gains or losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Restated Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.12 Financial liabilities and equity instruments

Classification as a debt or equity:

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

Financial Liabilities:

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

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

Financial Liabilities at FVTPL:

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

A financial liability is classified as held for trading if:

• it has been incurred principally for the purpose of repurchasing it in the near term; or

• on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

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

• such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

• the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Grouping is provided internally on that basis;

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

Financial liabilities subsequently measured at amortised cost:

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

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

Foreign exchange gains and losses:

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

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

Decreognition of financial liabilities:

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

Offsetting:

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

2.13 Employee Benefits

Retirement benefit costs and termination benefits:
Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

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

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

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

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

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

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

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

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

2.14 Leases

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

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

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

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

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

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

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

2.15 Earnings per Share

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

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

2.16 Taxation

Current Tax:

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

Deferred Tax:

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

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

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

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

Current and deferred tax for the year :

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

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

2.17 Impairment of Tangible and Intangible Assets

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

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

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

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

2.18 Provisions and Contingencies

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

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

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

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

2.19 Segment Reporting

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

2.20 Goods and Services Tax Input Credit

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

2.21 Insurance Claims

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

3 Operating Cycle

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

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, the Directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the other significant areas of estimation, uncertainty and critical judgements in applying accounting policies:
(i)Revenue Recognition:

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e., the Group is a principal) or to arrange for the other party to provide those goods or services (i.e., the Company is an agent) based on the transaction model and its economic substance. The Company is a principal if it is the primary obligor to deliver the promised good or service and also controls a promised good or service before it transfers the control to the customer. The Company recognizes revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Company is an agent if its performance obligation is to arrange for the provision of goods or services on behalf of another party. The Company recognizes revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.
Judgement is also applied to determine the transaction price of the contract with customer. Management based on detailed assessment of the underlying facts,the overall substance of the transaction with the customer and the fair value of the distinct good or service that the Company receives from the customer, determines if each performance obligation is distinct and consequently determines the transaction price which forms the basis for revenue recognition.

(ii) Useful lives of Property, plant and equipment (Refer Note 2.7)

(iii)Provision for taxation (Refer Note 2.16)

(iv) Fair value of financial assets and financial liabilities (Refer Notes 2.11 and 2.12)

(v) Provision for inventory obsolescence (Refer Note 2.3)

Determination of functional currency:

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

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

Note 5A Property, Plant and Equipment

I. 2019-20

Property, Plant and Equipment - Owned/ Acquired	Gross Block				Accumulated Depreciation				Net Block
	Balance as at 1 April 2019 Rs.	Additions Rs.	Disposals/ Adjustments Rs.	Balance as at 31 March 2020 Rs.	Balance as at 1 April 2019 Rs.	Depreciation Expense Rs.	Elimination on Disposal/ Adjustments of Assets Rs.	Balance as at 31 March 2020 Rs.	Balance as at 31 March 2020 Rs.
(a) Plant and Equipment	6,635.31	1,521.61	141.20	8,015.72	1,181.16	1,296.02	74.50	2,402.68	5,613.04
(b) Furniture and Fittings	137.84	15.76	0.21	153.39	64.64	27.30	0.05	91.89	61.50
(c) Office and Other Equipments	71.39	2.64	0.70	73.33	29.17	13.64	0.25	42.56	30.77
(d) Data Processing Equipments	737.01	81.58	13.40	805.19	213.07	157.11	2.69	367.49	437.70
(e) Leasehold Improvements	1,730.67	142.44	0.20	1,872.91	439.65	449.12	-	888.77	984.14
Total	**9,312.22**	**1,764.03**	**155.71**	**10,920.54**	**1,927.69**	**1,943.19**	**77.49**	**3,793.39**	**7,127.15**

II. 2020-21

Property, Plant and Equipment - Owned/ Acquired	Gross Block				Accumulated Depreciation				Net Block
	Balance as at 1 April 2020 Rs.	Additions Rs.	Disposals/ Adjustments Rs.	Balance as at 31 March 2021 Rs.	Balance as at 1 April 2020 Rs.	Depreciation Expense Rs.	Elimination on Disposal/ Adjustments of Assets Rs.	Balance as at 31 March 2021 Rs.	Balance as at 31 March 2021 Rs.
(a) Plant and Equipment	8,015.72	2,047.01	133.47	9,929.26	2,402.68	1,346.59	126.73	3,622.54	6,306.72
(b) Furniture and Fittings	153.39	6.94	-	160.33	91.89	21.33	-	113.22	47.11
(c) Office and Other Equipments	73.33	36.23	0.00	109.56	42.56	13.93	0.00	56.49	53.07
(d) Data Processing Equipments	805.19	63.05	0.01	868.23	367.49	160.03	0.01	527.51	340.72
(e) Leasehold Improvements	1,872.91	168.67	63.23	1,978.35	888.77	356.97	63.24	1,182.50	795.85
Total	**10,920.54**	**2,321.90**	**196.71**	**13,045.73**	**3,793.39**	**1,898.85**	**190.00**	**5,502.26**	**7,543.47**

III.2021-22

Property, Plant and Equipment - Owned/ Acquired	Gross Block				Accumulated Depreciation				Net Block
	Balance as at 1 April 2021 Rs.	Additions Rs.	Disposals/ Adjustments Rs.	Balance as at 31 March 2022 Rs.	Balance as at 1 April 2021 Rs.	Depreciation Expense Rs.	Elimination on Disposal/ Adjustments of Assets Rs.	Balance as at 31 March 2022 Rs.	Balance as at 31 March 2022 Rs.
(a) Plant and Equipment	9,929.26	1,046.25	355.23	10,620.28	3,622.54	1,855.63	200.59	5,277.58	5,342.70
(b) Furniture and Fittings	160.33	52.71	1.52	211.52	113.22	27.58	6.09	134.71	76.81
(c) Office and Other Equipments	109.56	24.41	0.24	133.73	56.49	18.12	0.21	74.40	59.33
(d) Data Processing Equipments	868.23	78.68	6.41	940.50	527.51	135.08	6.42	656.17	284.33
(e) Leasehold Improvements	1,978.35	81.66	98.85	1,961.16	1,182.50	333.27	43.87	1,471.90	489.26
Total	**13,045.73**	**1,283.71**	**462.25**	**13,867.19**	**5,502.26**	**2,369.68**	**257.18**	**7,614.76**	**6,252.43**

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

5B Right of Use Assets

Description of Assets	**Buildings**	**Total**
I - Gross carrying value		
As at April 01, 2019 (Refer Note 34)	-	-
Additions	859.05	859.05
Disposals / Adjustments during the year	(28.00)	(28.00)
As at 31-March-2020	**831.05**	**831.05**
II. Accumulated depreciation and impairment		
As at April 01, 2019	-	-
Charge for the year	312.24	312.24
Disposals / Adjustments during the year	(12.61)	(12.61)
As at 31 March 2020	**299.63**	**299.63**
III. Net Carrying Value		
As at 31 March 2020	**531.43**	**531.43**
I - Gross carrying value		
As at April 01, 2020 (Refer Note 34)	831.05	831.05
Additions	364.62	364.62
Disposals / Adjustments during the year	(116.85)	(116.85)
As at 31 March 2021	**1,078.82**	**1,078.82**
II. Accumulated depreciation and impairment		
As at April 01, 2020	299.63	299.63
Charge for the year	287.30	287.30
Disposals / Adjustments during the year	(90.11)	(90.11)
As at 31 March 2021	**496.82**	**496.82**
III. Net Carrying Value		
As at 31 March 2021	**582.00**	**582.00**
I - Gross carrying value		
As at April 01, 2021 (Refer Note 34)	1,078.82	1,078.82
Additions	147.20	147.20
Disposals / Adjustments during the year	-	-
As at 31 March 2022	**1,226.02**	**1,226.02**
II. Accumulated depreciation and impairment		
As at April 01, 2021	496.82	496.82
Charge for the year	310.00	310.00
Disposals / Adjustments during the period	-	-
As at 31 March 2022	**806.82**	**806.82**
III. Net Carrying Value		
As at 31 March 2022	**419.20**	**419.20**

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

5C Ageing of capital Work in Progress

Capital Work in Progress	As at 31 March 2022				
	Amount in CWIP for a period of				
	Less than 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) Projects in progress	65.42	6.82	17.88	-	90.12
(ii) Projects temporarily suspended	-	-	-	-	
Total	**65.42**	**6.82**	**17.88**	**-**	**90.12**

Note: The above CWIP projects have not exceeded the budget as on 31 March 2022

Projects where there is delay in capitalisation

Capital Work in Progress	As at 31 March 2022				
	To be completed in				
	Less than 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) Projects in progress					
SAP Server	13.05	-	-	-	13.05
Project Engineering Department	4.05	0.07	-	-	4.12
Assembly & Packing	0.17	-	-	-	0.17
Surface Mounting Technology	0.52	-	-	-	0.52
Ware House	0.40	-	-	-	0.40
Others	47.23	0.46	-	-	47.69
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**65.42**	**0.53**	**-**	**-**	**65.95**

Ageing of capital Work in Progress

Capital Work in Progress	As at 31 March 2021				
	Amount in CWIP for a period of				
	Less than 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) Projects in progress	48.68	29.49	2.96	12.79	93.92
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**48.68**	**29.49**	**2.96**	**12.79**	**93.92**

Projects where the cost has exceeded

Capital Work in Progress	As at 31 March 2021				
	To be completed in				
	Less than 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) Projects in progress					
IDM6	1.72	-	-	-	1.72
Assembly & Packing	0.13				0.13
Total	**1.85**	**-**	**-**	**-**	**1.85**

Projects which are pending for capitalization beyond original planned date of completion

Capital Work in Progress	As at 31 March 2021				
	To be completed in				
	Less than 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) Projects in progress					
IDM6	2.78	-	-	-	2.78
Project Engineering Department	2.47	-	-	-	2.47
Surface Mountain technology	22.52	-	-	-	22.52
Warehouse	2.13	-	-	-	2.13
Assesmbly & Packing	0.42	-	-	-	0.42
Others	11.18	19.86	-	-	31.04
Total	**41.50**	**19.86**	**-**	**-**	**61.36**

Ageing of capital Work in Progress

Capital Work in Progress	As at 31 March 2020				
	Amount in CWIP for a period of				
	Less than 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) Projects in progress	409.33	112.25	227.17	0.70	749.45
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**409.33**	**112.25**	**227.17**	**0.70**	**749.45**

Projects where the cost has exceeded

Capital Work in Progress	As at 31 March 2020				
	To be completed in				
	Less than 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) Projects in progress					
Project Engineering Department	20.32	-	-	-	20.32
Surface Mounting Technology	44.26	1.99	-	-	46.25
Total	**64.57**	**1.99**	**-**	**-**	**66.57**

Projects which are pending for capitalization beyond original planned date of completion

Capital Work in Progress	As at 31 March 2020				
	To be completed in				
	Less than 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) Projects in progress					
Project Engineering Department	331.65	22.28	-	-	353.93
Surface Mounting Technology	95.72	68.59	-	-	164.31
Assembly & Packing	46.51	10.28	-	-	56.79
General Services	0.26	0.01	-	-	0.27
IT	0.26	-	-	-	0.26
Ware house	0.45	0.23	-	-	0.68
Others	32.85	25.59	-	-	58.44
Total	**507.70**	**126.98**	**0.00**	**0.00**	**634.68**

Note:

1. The Group has not revalued any of its Property, Plant and Equipments and intangible assets during the year.
2. No proceedings have been initiated during the year or are pending against the Group as at 31 March 2022,31 March 2021 and 31 March 2020 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as ammended in 2016) and rules made thereunder.

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

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

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Security Deposits (at amortised cost)	114.35	191.93	280.45
	-		
(b) VAT Incentive Receivable	429.03	441.56	441.56
Less: Provision on VAT Incentive	(168.68)	(125.36)	(125.36)
	260.35	316.20	316.20
Total	**374.70**	**508.13**	**596.65**

Note 7 Non-Current Tax Assets

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Advance Tax / Tax deducted at Source (Net)	-	-	781.02
Total	**-**	**-**	**781.02**

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

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Prepaid expenses	56.59	57.09	64.04
Total	**56.59**	**57.09**	**64.04**

Note 9 Inventories
(At Lower of Cost and Net Realisable Value)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Raw Materials and Components	18,333.32	17,637.48	14,381.26
(b) Stock-in-transit (Raw Materials)	1,118.84	3,717.05	3,530.53
(c) Work-in-Progress	3,560.83	2,611.16	2,091.93
(d) Finished Goods	1,079.28	794.71	1,894.16
Total	**24,092.27**	**24,760.40**	**21,897.88**

Note 10 Trade Receivables

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Secured, Considered Good	-	-	-
(b) Unsecured, Considered Good	51,077.73	36,087.64	37,689.30
	51,077.73	36,087.64	37,689.30
Expected Credit Loss Allowance (Refer Note 10.3 below)	-	-	-
Total	**51,077.73**	**36,087.64**	**37,689.30**

10.1 The average credit period on sales of goods is 60 days. No interest is charged on the trade receivables for the first 60 days from the date of the invoice.

10.2 Of the trade receivables balance as at 31 March 2022 Rs. 49,380.50 , as at 31 March 2021 Rs. 34,568.96, as at 31 March 2020 Rs. 33,393.11 is due from a major customer.

10.3 Based on the historical credit loss experience adjusted for forward-looking information, no allowance for expected credit loss in respect of Trade Receivables is considered necessary as at 31 March 2022, 31 March 2021 and 31 March 2020.

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

10.4 Ageing of Trade Receivables:

Particulars	As at 31 March 2022						
	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) Undisputed Trade Receivables - Conisdered Good	47,168.44	3,906.68	0.34	0.93	1.18	0.16	**51,077.73**
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Conisdered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-

Particulars	As at 31 March 2021						
	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) Undisputed Trade Receivables - Conisdered Good	34,377.33	1,708.99	-	1.17	0.15	-	**36,087.64**
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Conisdered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-

Particulars	As at 31 March 2020						
	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) Undisputed Trade Receivables - Conisdered Good	32,582.88	4,553.69	536.81	15.92	-	-	**37,689.30**
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Conisdered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-

10.5 There are no unbilled revenue dues as at 31-March-2022 and 31-March-2021 and 31-March-2020

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

Note 11A Cash and Cash Equivalents

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Cash on Hand	-	0.05	0.05
(b) Balances with Banks			
(i) In Current Accounts	330.14	582.77	313.41
(ii) In Deposit Accounts	-		
Original maturity less than 3 months	3,774.45	8,030.00	11,150.00
Total	**4,104.59**	**8,612.82**	**11,463.46**

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
Note 11B Other Bank Balances			
Other Bank Balances			
(i) In Deposit Accounts			
Original maturity more than 3 months (Under Lien Refer Note 11 B.1)	110.00	110.00	-
Total	**110.00**	**110.00**	-

Note 11. B.1 Deposits amounting to INR 110 Million have been placed with certain banks for obtaining overdraft facility.

Note 12 Loans (Current Financial Assets)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(i) Loans to Related Parties (Refer Note 33.2)	196.80	150.00	150.00
(ii) Advances to employees (unsecured, considered good)	0.28	2.03	6.33
Total	**197.08**	**152.03**	**156.33**

Type of Borrower	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Related Parties*			
Fellow Subsidiary**	196.80	150.00	150.00
% to Total Loan outstanding	99.86%	98.66%	95.95%

* represents loan or advance in the nature of loan
** Of the total outstanding, following are the loan repayable on demand without specifying any terms or period of repayment:

Type of Borrower	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Fellow Subsidiary	110.00	150.00	150.00

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

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Interest accrued on loans given to related parties	-	21.07	12.11
(b) Security deposits	119.11	83.16	57.66
(c) Interest accrued, but not due on Fixed Deposits with banks	5.50	4.30	6.97
(d) Recoverable from Holding Company (Refer Note 14.1 and Note 33.2)	69.58	-	-
(e) Other Receivables			
- Considered Good	17.02	5.72	37.69
- Considered Doubtful	34.47	34.47	-
Less Provision for other receivable	(34.47)	(34.47)	-
	17.02	5.72	37.69
Total	**211.21**	**114.25**	**114.43**

Note 14 Other Current Assets

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Balances Receivable from Government Authorities			
(i) Input Tax Credit (GST)	8,968.09	7,645.42	4,559.71
(ii) GST Refund Receivable	78.22	147.94	70.85
(iii) Deposit with Custom Authorities	91.91	91.91	67.06
(b) Advance to Suppliers	253.39	354.07	165.58
(c) Prepaid expenses	29.17	29.34	7.30
(d) Share issue expenses (Refer Note 14.1)	69.58	-	-
Total	**9,490.36**	**8,268.68**	**4,870.50**

Note 14.1
During the year ended March 31, 2022, the Company has incurred share issue expenses of Rs 139.16 million in connection with proposed public offer of equity shares for various services received for Initial Public Offering (IPO). As per the Offer Agreement entered between the Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses in propotion to the respective shares offered for sale

The Company will partly recover the expenses incurred in connection with the issue on completion of IPO and therefore, the amount of Rs 69.58 million recoverable from the selling shareholders has been carried forward and disclosed under the head "Recoverable from Holding Company" (to the extent of not written off or adjusted) under Note 13

The Company's share of expenses shall be adjusted against securities premium to the extent permissible under Section 52 of the Act on successful completion of IPO and therefore, the amount of Rs 69.58 million related to the Company's share has been carried forward and disclosed under this head (to the extent of not written off or adjusted) under Note 14

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)

Notes to the Restated Financial Information

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

Note 15 Share Capital

Particulars	As at 31 March 2022		As at 31 March 2021		As at 31 March 2020	
	Number of shares	Rs.	Number of shares	Rs.	Number of shares	Rs.
(a) **Authorised ***						
Equity shares of Rs. 10 each, with voting rights	2,89,81,00,000	28,981.00	2,39,81,00,000	23,981.00	23,98,10,000	23,981.00
(In the year 2019-20 Equity shares of Rs. 100 each with voting rights)						
(b) **Issued, Subscribed and Fully Paid Up**						
Equity shares of Rs. 10 each, with voting rights	2,38,09,44,980	23,809.45	2,38,09,44,980	23,809.45	23,80,94,498	23,809.45
(In the year 2019-20 Equity shares of Rs. 100 each with voting rights)						
Total		**23,809.45**		**23,809.45**		**23,809.45**

* During the period, the Board of directors in their meeting held on 12 November 2021 and the members of the Group in the extraordinary general meeting held on 12 November 2021, approved the increase in Authorised Share Capital from INR 23,981,000,000 to INR 28,981,000,000. Consequently the number of shares in the authorised capital has increased from 2,398,100,000 of Rs.10/- each to 2,898,100,000 of Rs.10/- each.

Notes:

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

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021		For the year ended 31-March-2020	
	Number of shares	Rs.	Number of shares	Rs.	Number of shares	Rs.
Shares outstanding as at the beginning of the year	2,38,09,44,980	23,809.45	23,80,94,498	23,809.45	16,65,94,499	16,659.45
Add: Fresh issue of shares during the year	-	-	-	-	7,14,99,999	7,150.00
Add: Split in the shares duing the year $	-	-	2,14,28,50,482	-	-	-
Less: Buy-back of shares during the year	-	-	-	-	-	-
Shares outstanding as at the end of the year	2,38,09,44,980	23,809.45	2,38,09,44,980	23,809.45	23,80,94,498	23,809.45

$ - During the Financial Year ended 31st March 2021, the Board of directors in their meeting held on 8th May 2020 and the members of the Group in the extraordinary general meeting held on 29th May 2020, approved the sub-division of equity shares from face value of Rs. 100/- per share into face value of Rs. 10/- each.Consequently the number of shares in the authorised capital has increased from 239,810,000 of Rs.100/- each to 2,398,100,000 of Rs.10/- each and the number of shares in the issued, subscribed, paid up share capital has increased from 238,094,498 of Rs.100/- each to 2,380,944,980 of Rs.10/- each.

15.2 Details of Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Particulars	As at 31 March 2022		
Equity Shares with voting rights	**Number of Equity Shares**	**% Holding in that Class of Shares**	**% Change during the period**
Wonderful Stars Pte Ltd, the holding Company	2,38,03,08,775	99.97%	0.00%
Aptech Electronics Pte Ltd	6,36,200	0.03%	0.00%
	As at 31 March 2021		
	Number of Equity Shares	**% Holding in that Class of Shares**	**% Change during the period**
Wonderful Stars Pte Ltd, the holding Company	2,38,03,08,780	99.97%	900.00%
Aptech Electronics Pte Ltd	6,36,200	0.03%	900.00%
	As at 31 March 2020		
	Number of Equity Shares	**% Holding in that Class of Shares**	**% Change during the year**
Wonderful Stars Pte Ltd, the holding Company	23,80,30,878	99.97%	42.93%
Aptech Electronics Pte Ltd	63,620	0.03%	0.00%

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

Class of Shares / Name of Shareholder	As at 31 March 2022		As at 31 March 2021		As at 31 March 2020	
	Number of Shares held	% Holding in that Class of Shares	Number of Shares held	% Holding in that Class of Shares	Number of Shares held	% Holding in that Class of Shares
Equity Shares with voting rights						
Wonderful Stars Pte Ltd, the holding Company #	2,38,03,08,775	99.97%	2,38,03,08,780	99.97%	23,80,30,878	99.97%

#Pursuant to the conversion of the company from a Private Limited company to a Public Limited Company, the Board of Directors of the Company, in their meeting held on 21 October 2021 approved the transfer of five Equity Shares held by M/s Wonderful Stars Pte. Ltd. to Yu Yang Chih, Hui-Chung Chen, Clement Joshua Foulger, Meng Hsiao -Yi, Kam, Wah Danny Tam who hold the shares as nominees of Wonderful Stars Pte. Ltd.

The Stakeholder Relationship Committee in their meeting held on 28 March 2022 approved the transfer of one share held by Mr. Clement Joshua Foulger as a nominee of Wonderful Stars Pte. Ltd. to Mr. Chien Liang Liu, who holds the share as a nominee of Wonderful Stars Pte. Ltd. The Board of Directors of the Company in their meeting held on 29 March 2022 took note of the same.

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)

Notes to the Restated Financial Information

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

15.4 Promoter Shareholding

Class of Shares / Name of Shareholder	As at 31 March 2022		As at 31 March 2021		As at 31 March 2020	
	Number of Shares held	% Holding in that Class of Shares	Number of Shares held	% Holding in that Class of Shares	Number of Shares held	% Holding in that Class of Shares
Equity Shares with voting rights						
Wonderful Stars Pte Ltd, the holding Company	2,38,03,08,775	99.97%	2,38,03,08,780	99.97%	23,80,30,878	99.97%
Aptech Electronics Pte Ltd	6,36,200	0.03%	6,36,200	0.03%	63,620	0.03%

15.5 Disclosure of Rights

The Group has only one class of equity shares having a par value of Rs. 10 each ((pursuant to the share split from Rs. 100/- to Rs. 10/- per share with effect from 29 May 2020) . Each holder is entitled to one vote per equity share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 15 A Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Retained Earnings			
Balance at the beginning of the year	4,549.44	2,930.29	(966.84)
Add: Profit for the year	1,950.57	1,619.15	3,897.13
Balance at the end of the year	**6,500.01**	**4,549.44**	**2,930.29**
Remeasurement of the defined benefit plans			
Balance at the beginning of the year	(1.54)	(0.96)	(1.20)
Add: Changes in other comprehensive income	6.67	(0.58)	0.24
Balance as at the end of the year	**5.13**	**(1.54)**	**(0.96)**
Foreign Currency Translation Reserve			
Balance at the beginning of the year	-	-	-
Add: Changes in other comprehensive income	1.06	-	-
Balance as at the end of the year	**1.06**	**-**	**-**
Total	**6,506.20**	**4,547.90**	**2,929.33**

Note 16 Provisions (Non-Current)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Provision for employee benefits:			
(i) Provision for Gratuity (Refer Note 31.2)	101.82	89.59	66.50
Total	**101.82**	**89.59**	**66.50**

Note 17 Trade Payables

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
Trade Payables:			
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note 30.2)	142.93	49.19	12.28
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	58,344.07	51,122.41	55,862.64
(iii) Expenses Payable	1,266.63	1265.34	561.70
Total	**59,753.63**	**52,436.94**	**56,436.62**

Note 18 The average credit period on purchases of goods is 90 days. No interest is charged on overdues. the Group has policies in place to ensure that all payables are paid within the pre-agreed credit terms

Note 19 Ageing of trade payables

Particulars	As at 31 March 2022					
	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) MSME	142.39	-	0.53	-	-	142.92
(ii) Others	54,046.52	4,167.51	384.59	169.52	842.57	59,610.71
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-

Particulars	As at 31 March 2021					
	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) MSME	22.78	25.91	0.44	-	0.06	49.19
(ii) Others	39,285.43	12,106.23	146.41	1.02	848.66	52,387.75
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-

Particulars	As at 31 March 2020					
	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 year - 2 years	2 years - 3 years	> 3 years	Total
(i) MSME	2.68	9.45	0.09	0.03	0.03	12.28
(ii) Others	35,684.11	19,223.14	140.32	1,308.02	68.75	56,424.34
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-

Note 20 Other Financial Liabilities (Current)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Payable on Purchase of Property,Plant and Equipment	453.52	965.64	273.73
(b) Deposits Received from Customers/Others	33.87	20.62	20.12
Total	**487.39**	**986.26**	**293.85**

Note 21 Provisions (Current)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Provision for Employee Benefits:			
Provision for Gratuity (Refer Note 31.2)	12.12	9.28	3.61
Provision for Compensated Absences (Refer Note 31.2)	84.53	100.43	79.93
Total	**96.65**	**109.71**	**83.54**

Note 22 a Current tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
Provision for Tax (Net off advance tax 31 March 2022 Rs.850 Million (31 March 2021 Rs.300 Million))	68.59	365.00	-
Total	**68.59**	**365.00**	**-**

Note 22 b Other Current Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(a) Advance from Customers	639.93	10.58	0.33
(b) Statutory Remittances (Contributions to PF and ESI, Withholding Taxes etc.)	5,156.14	4,154.08	2,061.99
(c) Others	0.38	-	-
Total	**5,796.45**	**4,164.66**	**2,062.32**

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

Note 23 Revenue from Operations

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
		Rs.	Rs.	Rs.
(a)	Sale of Products -Mobile Phones and components	1,79,832.84	1,58,197.20	2,63,922.19
(b)	Sale of Products- Others	1,350.60	-	-
		1,81,183.44	1,58,197.20	2,63,922.19
(c)	Other Operating Revenues (Refer Note (i) below)	308.60	351.38	2,433.39
	Total	**1,81,492.04**	**1,58,548.58**	**2,66,355.58**

Note	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
		Rs.	Rs.	Rs.
(i)	**Other Operating Revenues:**			
	Sale of Raw Materials	43.71	254.56	2,199.86
	Sale of Scrap	234.55	88.19	188.44
	Insurance claim	-	0.07	10.10
	Income from Development and Support Services	12.16	8.31	30.67
	Merchandise Export from India Scheme	17.05	0.25	4.32
	Others	1.13	-	-
	Total - Other Operating Revenues	**308.60**	**351.38**	**2,433.39**

23.1 **Disaggregated revenue information:**
Based on the management approach as defined in IND AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, the Group has identified only one segment as reportable segment. (Refer Note 32)

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

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

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

Name of the Customers	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
Customer A	1,71,611.33	1,49,086.78	2,35,014.92
Customer B	7,939.77	9,053.02	15,098.87
Others*	1,632.34	57.40	13,808.40
Total	**1,81,183.44**	**1,58,197.20**	**2,63,922.19**

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

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

Note 24 Other Income

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
		Rs.	Rs.	Rs.
(a)	Interest Income (Refer Note (i) below)	310.68	419.78	337.25
(b)	Profit on termination of leases	-	1.35	0.43
(c)	Provision No Longer Required Written back	190.63	96.86	-
	Total	**501.31**	**517.99**	**337.68**

Note	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
		Rs.	Rs.	Rs.
(i)	Interest Income Comprises:			
	From Banks - Fixed Deposits	299.15	279.01	310.47
	Security Deposits carried at amortised cost	-	-	13.06
	Interest on IT Refund	-	132.07	-
	Others	11.53	8.70	13.71
	Total - Interest income	**310.68**	**419.78**	**337.24**

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

Note 25 Cost of Materials Consumed

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.	Rs.
(a) Opening Stock	21,354.53	17,911.80	24,651.47
(b) Add: Purchases	1,67,936.28	1,49,793.04	2,39,914.92
	1,89,290.81	**1,67,704.84**	**2,64,566.39**
(c) Less: Closing Stock (Refer Note 9 (a) & (b))	19,452.16	21,354.53	17,911.80
Cost of Materials Consumed	**1,69,838.65**	**1,46,350.31**	**2,46,654.59**

Note 26 Changes in Inventories of Finished Goods and Work-in-progress

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.	Rs.
(a) Inventories at the End of the Year: (Refer Note 9)			
Finished Goods	1,079.28	794.71	1,894.16
Work-in-progress	3,560.83	2,611.16	2,091.94
	4,640.11	**3,405.87**	**3,986.10**
(b)Inventories at the Beginning of the Year:			
Finished Goods	794.71	1,894.16	3,040.36
Work-in-progress	2,611.16	2,091.94	3,272.16
	3,405.87	**3,986.10**	**6,312.52**
Net Decrease / (Increase)	**(1,234.24)**	**580.23**	**2,326.42**

Note 27 Employee Benefits Expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.	Rs.
(a) Salaries, Wages and Bonus	1,661.35	1,831.00	1,627.45
(b) Contributions to Provident and Other Funds (Refer Note 31.1)	99.38	106.16	93.81
(c) Gratuity Expenses (Refer Note 31.2)	33.64	31.44	27.34
(d) Staff Welfare Expenses	900.36	1031.22	1,008.94
Total	**2,694.73**	**2,999.82**	**2,757.54**

Note 28 Finance Costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.	Rs.
(a) Interest expense on:			
(i) Borrowings	-	1.66	198.11
(ii) Lease Liabilities	46.55	49.77	54.66
(ii) Others	36.44	184.68	28.49
Total	**82.99**	**236.11**	**281.26**

Note 29 Other Expenses

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
		Rs.	Rs.	Rs.
(a)	Consumption of Stores and Spare Parts	423.50	369.04	490.34
(b)	Consumption of packing materials	64.24	43.61	62.68
(c)	Power and Fuel	420.19	366.15	406.34
(d)	Rent including Lease Rentals	72.26	88.60	145.12
(e)	Repairs and Maintenance - Buildings	42.43	31.87	37.47
	- Machinery	462.25	387.66	333.75
	- Others	115.01	175.52	188.97
(f)	Insurance	73.14	55.34	61.59
(g)	Chemical charges	51.57	35.06	46.59
(h)	Rates and Taxes	5.01	2.47	2.20
(i)	Communication	14.85	12.37	14.53
(j)	Travelling and Conveyance	637.93	592.06	563.82
(k)	Printing and Stationery	11.82	14.81	13.21
(l)	Royalty	0.01	3.52	4.93
(m)	Business Promotion Expenses	1.36	50.07	2.56
(n)	Contract Charges	2,106.97	1,695.00	2,590.96
(o)	Legal and Professional Charges	51.43	22.25	36.60
(p)	Payments to Auditors (Refer Note (i) below)	8.99	3.55	3.95
(q)	Loss on Property,plant and equipment Sold / Scrapped / Written Off (Net)	155.42	244.83	36.95
(r)	Membership Subscription	13.90	15.36	17.92
(s)	Water	24.77	20.98	24.92
(t)	Testing and Processing Charges	52.65	44.52	50.48
(u)	Loss on Foreign Currency Transactions and Translation (Net)	119.48	282.29	2,323.49
(v)	Bank charges	1.62	1.63	65.54
(w)	Security Charges	165.91	113.43	136.29
(x)	Provision for VAT Incentive	43.32	-	-
(y)	Provision for Other receivable	-	34.47	-
(z)	Corporate Social Responsibility	56.11	25.43	0.05
(aa)	Donation	0.01	-	-
(ab)	Loss on Fair valuation of deposits	6.43	13.52	-
(ac)	Other Receivables Written-Off	46.61	-	-
(ad)	Miscellaneous Expenses	15.89	3.49	23.02
	Total	**5,265.08**	**4,748.90**	**7,684.27**

Notes 29.1:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.	Rs.
Payments to Auditors Comprises (net of tax input credit):			
To Statutory Auditors			
For Statutory Audit	3.20	2.00	2.00
For Tax Audit	0.30	0.30	0.30
For Group Reporting	1.25	1.25	1.25
For Other Services	4.24	-	0.40
Total (included in Other Expenses above)	**8.99**	**3.55**	**3.95**
For Other Services (Refer Note 14.1)	38.25	-	-
Total	**47.24**	**3.55**	**3.95**

Notes 29.2: Relationship with Struck Off Companies u/s 248

Name of struck off companies	Nature of transaction with struck-off Company	Expenses during the year	Balance Outstanding as at the year end	Relationship with Struck Off company, if any, to be disclosed
TRIMASTIR SOLUTIONS PVT LTD				
- For the Period Ended 31 March 2022	Manpower supplier	1.49	1.12	Manpower supplier
- For the Period Ended 31 March 2021	Manpower supplier	34.81	2.59	Manpower supplier
- For the Period Ended 31 March 2020	Manpower supplier	-	-	Manpower supplier

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

Note 30 Additional information to the financial statements

Note	Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
		Rs.	Rs.	Rs.
30.1	**Commitments**			
	(a) Estimated Amount of Contracts Remaining to be Executed on Capital Account and Not Provided for			
	- Tangible Assets	46.82	753.52	771.70
	Contingent Liability			
	(a) Claims against the Group not acknowledged as debt (Refer Note 1 below):			
	- Customs Act	1,225.47	1,225.47	1,225.47
	Amount paid as pre deposit	91.91	91.91	67.06

Note 1:

1. The Group is contesting the demands raised by the authorities, and the management, including its tax advisors, believe that its position is likely to be upheld in the appeal process and ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

2. In December 2021, the Income Tax authorities initiated the search proceedings on the Company in Tamil Nadu and Andhra Pradesh plant based on the warrant dated 20th December 2021 during the course of which the Company submitted certain information sought by the authorities

Given that these investigations are at an early stage and the information available to the Company is limited, the management is unable to predict the outcome of these investigation or quantify the potential impact on the financial statements. The Company has assessed this risk with the assistance of independent professional advisors and, on that basis, the Company believes that it is in compliance with all laws and regulations applicable to the Company and that the probability of any future liability arising on account of the above proceedings is remote.

3. In December 2021 the Company along with certain third parties, was copied on a show cause notice issued by the Principal Commissioner of Customs, Chennai, where it was alleged that the Company and other vendors abetted Xiaomi by failing to report the complete circumstances of sales while submitting Bill of Entries. The Company submitted its response in February 2022, confirming compliance with various laws and regulations applicable to the Company, after which the Company has not received any further communication in this regard.

30.2 Disclosures Required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	Rs.	Rs.	Rs.
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	140.31	46.12	12.09
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	2.62	3.07	0.19
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	2.62	3.07	0.19
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	2.62	3.07	0.19
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

31 Employee Benefits

31.1 Defined Contribution Plan

The Group makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised Rs. 99.38 million (Year ended 31 March 2021 Rs. 106.16 million and Year ended 31 March 2020 Rs. 93.81 million) for Provident Fund contributions in the Statement of Profit and Loss for the period ended 31 March 2022 . The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

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

Particulars	For the year ended 31 March 2022 Rs.	For the year ended 31 March 2021 Rs.	For the year ended 31 March 2020 Rs.
Employer's Contribution to Provident Fund and Employee State Insurance	99.38	106.16	93.81
Total	**99.38**	**106.16**	**93.81**

31.2 Defined Benefit Plans

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

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

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

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

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

Particulars	For the year ended 31 March 2022 Rs.	For the year ended 31 March 2021 Rs.	For the year ended 31 March 2020 Rs.
Gratuity:			
Service Cost			
- Current Service Cost	26.48	25.65	23.81
- Interest expense on Defined Benefit Obligation	6.82	4.91	3.53
Components of defined benefit costs recognised in profit or loss (A)	**33.30**	**30.56**	**27.34**
Remeasurement on the net defined benefit liability :			
Actuarial loss arising from changes in financial assumptions	1.64	(7.09)	(6.88)
Actuarial (gains) arising from experience adjustments	(10.55)	7.87	6.51
Components of defined benefit costs recognised in other comprehensive income (B)	**(8.91)**	**0.78**	**(0.38)**
Total (A) + (B)	**24.39**	**31.34**	**26.97**

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

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

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

Particulars	As at 31 March 2022 Rs.	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Net Asset/(Liability) recognised in the Balance Sheet:			
Gratuity:			
Present value of defined benefit obligation	113.94	98.87	70.11
Fair value of plan assets	-	-	-
Deficit/ (Surplus)	**113.94**	**98.87**	**70.11**
Current portion of the above	12.12	9.28	3.61
Non current portion of the above	101.82	89.59	66.50

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

Particulars	For the year ended 31 March 2022 Rs.	For the year ended 31 March 2021 Rs.	For the year ended 31 March 2020 Rs.
Change in the obligation during the year:			
Gratuity:			
Present value of defined benefit obligation at the beginning of the year	98.87	70.11	45.84
Expenses Recognised in the Statement of Profit and Loss:			
- Current Service Cost	26.48	25.65	23.81
- Interest Expense (Income)	6.82	4.91	3.53
Recognised in Other Comprehensive Income			
Remeasurement gains / (losses)			
- Actuarial Gain (Loss) arising from:			
i. Financial Assumptions	1.64	(7.09)	(6.88)
ii. Experience Adjustments	(10.55)	7.87	6.51
Benefit payments	(9.32)	(2.59)	(2.70)
Present value of defined benefit obligation at the end of the year	**113.94**	**98.87**	**70.11**

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

Particulars	As at 31 March 2022 Rs.	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Gratuity:			
Discount rate	7.10%	6.90%	7.00%
Expected rate of salary increase	11.00%	11.00%	12.50%
Expected return on plan assets		-	-
Withdrawal Rate	20.00%	22.00%	22.00%
Mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)

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

Particulars	For the Period Ended		
	31-Mar-22	31-Mar-21	31-Mar-20
(Gain)/Loss on Plan Liabilities	(10.56)	7.88	6.51
% of Opening Plan Liabilities	(10.68%)	11.23%	14.20%
Gain/(Loss) on Plan Assets	-	-	-
% of Opening Plan Assets	0.00%	0.00%	0.00%

(f) Expected gratuity outflow in the next five years

Years	As on 31 March 2022	As on 31 March 2021	As on 31 March 2020
1	12.12	9.28	3.61
2	17.26	12.29	0.66
3	17.35	16.61	0.61
4	15.66	15.82	0.23
5	14.32	13.81	3.74

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

In respect of Gratuity:

Particulars	Defined Benefit Obligation (2021-22)	Defined Benefit Obligation (2020-21)	Defined Benefit Obligation (2019-20)
Under Base Scenario	113.94	98.87	70.11
Salary Escalation (Up by 1%)	120.22	104.25	74.44
Salary Escalation (Down by 1%)	108.09	93.85	66.11
Withdrawal Rates (Up by 1%)	112.17	96.98	68.06
Withdrawal Rates (Down by 1%)	115.83	100.86	72.30
Discount Rates (Up by 1%)	108.40	94.13	66.25
Discount Rates (Down by 1%)	120.05	104.07	74.39

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

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

31.3 Compensated Absences

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

Particulars	As at 31 March 2022 Rs.	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Assumptions			
Discount Rate	7.10%	6.90%	7.00%
Future Salary Increase	11.00%	11.00%	12.50%
Attrition Rate	20.00%	22.00%	22.00%

31.4 Employee Stock Option Scheme

The Board of the Company in its meeting held on 25 March 2021 has set up the Employee Stock Option Scheme ('ESOS 2021' / 'Scheme') subject the approval of shareholders of the Company and the shareholders of FIH Mobile Limited. Subsequently, the scheme was approved by the shareholders of the Company in their meeting held on 25 March 2021 and by the shareholders of FIH Mobile Limited in their meeting held on 28 May 2021.

Through this Scheme, the Company intends to recognize the effective contribution towards the Company and its Holding Company and Subsidiary Company(ies) by rewarding highly talented employees and attract and retain the employees for the growth of the Organisation. The Board of Directors of the Company in their meeting held on November 24, 2021 approved the issue of 93,110,000 (Nine Crores Thirty-One Lakhs Ten Thousand) stock options under ESOS 2021 at INR 20 per option to 92 (Ninety Two) eligible employees of the company, its holding and subsidiary companies.The Holding Company FIH Mobile Limited being a listed company in Hong Kong had intimated the details of the above mentioned Scheme to the Hong Kong Stock Exchange on 23 December 2021.Pursuant to an enquiry received by the Holding Company,FIH Mobile Limited from Hong Kong stock exchange on 24 December 2021, in relation to compliance with Rule 17.03(9) of HKEX Listing rules regarding the exercise price being lower than the expected offer price,the Company noted that the said Scheme was not strictly in accordance with certain provisions of the HKEX Listing Rules in relation to Share option schemes (to the extent applicable to the Company).
Consequent to the above communications with the stock exchange, the Nomination and Remuneration Committee in their meeting dated 9 June 2022 and the Board of Directors in their meeting dated 10 June 2022 took note of this and also the fact that though the Company had complied with the provisions of the Comapanies Act 2013 and SEBI (Share based employee benefits) regulations 2014 (to the extent applicable), the said Grant was not strictly in accordance with certain provisions of the HKEX Listing Rules in relation to Share option schemes (to the extent applicable to the Company) and therefore approved the cancellation of options granted under the ESOS 2021 Scheme with exercise price INR 20.
The Holding Company had on 13 June 2022 announced the cancellation of options granted by the Company and have not received any further communication from the said stock exchange in this regard.

32 Segment Reporting

Operating Segments:
(a) The Group operates in only one operating segment, the business of manufacturing of mobile phones. The Group started to extend its operations to other diversified businesses. All assets, liabilities, revenue and expenses are mainly related to their one-segment activities.

(b) **Geographical Segments:**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rs.	Rs.	Rs.
Revenue from operations by market			
- India	1,80,997.92	1,58,452.97	2,66,271.54
- Others	185.52	95.61	84.04
Total	**1,81,183.44**	**1,58,548.58**	**2,66,355.58**
Segment Assets (Non current assets)*			
- India	7,193.03	8,276.47	4,886.46
- Others	-	-	-
Total	**7,193.03**	**8,276.47**	**4,886.46**
Segment Assets (Total Assets)			
- India	96,308.47	86,869.83	83,730.91
- Others	167.80	20.60	1,719.60
Total	**97,073.67**	**87,120.91**	**85,450.51**
Capital Expenditure			
- India	1,788.57	1,937.99	2,054.55
- Others		-	-
Total	**1,788.57**	**1,937.99**	**2,054.55**

*As per Ind AS 108 "Operating Segments" non current assets include assets other than financial instruments, deferred tax assets, postemployment benefit assets and rights arising under insurance contracts (i) located in the entity's country of domicile and (ii) located in all foreign countries in total in which the entity holds assets.

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

33.1 Names of Related Parties and Nature of Relationship

Description of Relationship	Name of the related party
Ultimate Holding Company of FIH Mobile Limited	HonHai Precision Industry Co Ltd
Holding Company	FIH Mobile limited (wef 1 May 2015)
Immediate Holding Company	Wonderful Stars Pte limited (wef 1 May 2015)
Fellow Subsidiaries (in respect of which the Group had transactions during the year)	Best Ever Industries Limited (wef 18 February 2016)
	Aptech Electronics Pte ltd (wef 1 May 2015)
	Competition Team Technologies (India) Private Limited (17 October 2017)
	Foxconn Hon Hai Technology India Mega Development Private Limited (wef 29 May 2019)
	FIH (Hong Kong) Limited (wef 1 September 2015)
	FIH India Developer Private Limited (wef 1 April 2015)
	FIH India Private Limited (wef 21 July 2015)
	FIH Precision Electronics (Langfang) Co, Ltd.(wef 27 May 2015)
	Futaijing Precision Electronics (Beijing) Co. Ltd. (wef 25 September 2015)
	Great Promote Limited (wef 9 January 2017)
	Shih Hua Technology Ltd. (wef 19 April 2017 till 12 February 2021)
	Foxconn Technology Co Ltd (wef 10 November 2017 till 16 May 2020)
	1St Special Material International Holdings LTD (wef 16 June 2017)
	Guizhou FIH Precision Electronics Co. Ltd (wef 12 April 2017)
	Innolux Corporation (wef 12 August 2016)
	Jusda India Supply Chain Management Pvt Ltd (wef 10 May 2017)
	Sharp Business Systems India Pvt Ltd (wef 6 June 2018)
	Sharp Hongkong Ltd (wef 31 July 2018)
	Cheng Uei Precision Industry Co.,Ltd (wef 11 January 2018)
	Garuda International Limited (wef 10 January 2018)
	Pan-International Industrial Corp(wef 1 November 2018)
	Futaihua Industrial (Shenzhen) Co., Ltd. (wef 22 October 2018)
	Fushan Technology (Vietnam) Limited Liability Company (wef 14 March 2017)
	FIH Singapore Trading Pte Ltd (wef 10 August 2018)
	View Great Limited (wef 4 April 2018)
	TNS Mobile India Pvt Ltd (wef 31 March 2019)
	Fortunebay Technology Pte.Ltd. (wef 20 May 2019)
	Foxconn Interconnect Technology Singapore Pte Ltd (wef 16 March 2016)
	Foxconn Technology India Pvt Ltd (wef 1 November 2019)
	Foxteq Services India Pvt Ltd (wef 4 November 2019)
	Ur Materials Industry (Shenzhen) Co Ltd (wef 19 September 2019)
	Shenzhen Futaihong Precision Industrial Co. ltd (wef 19 April 2021)
	Fitipower Integrated Technology Inc. (wef 16 October 2018)
	Innocom Electronics India Private Limited (wef 30 March 2016)
	FIH Precision Components (Beijing) Co, Ltd. (wef 25 September 2015)
	Hong Fu Jin Precision Industry (Shenzen) Co, Ltd. (wef 30 June 2015)
	Hong Fu Jin Precision Electronics (Zhengzhou) Co., Ltd. (wef 1 September 2015)
	Jusda International Limited (wef 29 July 2020)
Key Managerial Personnel	Yang Shu Hui (Director) (wef 1 May 2015 till 13 September 2021)
	Liu Chien Liang (Director) (wef 1 May 2015 till 1 November 2021)
	Clement Joshua Foulger (Managing Director)
	Ramachandran Kunnath (CFO and Company Secretary)
	Kam Wah Danny Tam (Non- Executive Director)
	Hui Chung Chen (Non- Executive Director)

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

33.2 Transactions with the related parties

Particulars	Category	Related party	2021-22	2020-21	2019-20
			Rs.	Rs.	Rs.
Income					
Interest Income	Fellow Subsidiaries	FIH India Developer Private Limited	8.68	8.70	12.11
Reimbursement of Expense received		FIH (Hong Kong) Limited	0.33	-	-
		FOXCONN HON HAI TECHNOLOGY INDIA MEGA DEVELOPER	11.18	-	-
		Foxconn Technology India Private Limited	0.13	-	-
		TNS Mobile India Pvt Ltd	0.86	-	-
		RISING STARS HI-TECH PRIVATE LIMITED	-	-	-
		FIH India Private Limited	-	-	-
Asset Sale		FIH India Developer Pvt Ltd	54.39		
Sales		FIH (Hong Kong) Limited	37.36	69.29	31.96
		Futaijing Precision Electronics (Beijing) Co Ltd	-	-	7.85
		Great Promote Limited	-	19.28	2,067.73
		Foxconn Interconnect Technology Singapore Pte Ltd	-	-	2.14
		Innocom Electronics India Private Limited	0.06	0.63	0.16
		Foxconn Technology India Private Limited	1.88	0.65	0.27
		Cheng Uei Precision Industry Co.,Ltd	-	-	1.77
		FOXCONN HON HAI TECHNOLOGY INDIA MEGA DEVELOPER PRIVATE LIMITED	1.26	-	-
		Guizhou Fih Precision Electronics Co.Ltd	-	-	18.21
		Competition Team Technologies (India) Private Limited	0.75	0.49	-
Expenses (gross of withholding tax wherever applicable)					
Purchase / (Purchase Returns) of Raw Materials (including stores and consumables)	Fellow Subsidiaries	1St Special Material International Holdings Ltd	-	-	1.52
		Best Ever Industries Limited	3.90	29.37	73.11
		FIH (Hong Kong) Limited	91.96	595.11	2,410.57
		Foxconn Interconnect Technology Singapore Pte Ltd	17.87	25.67	28.74
		Foxconn Technology Co Ltd	-	-	1.30
		Futaijing Precision Electronics (Beijing) Co Ltd	-	-	-
		Garuda International Limited	1.79	7.41	7.42
		FIH Precision Electronics (Langfang) Limited	7.34	4.50	-
		Great Promote Limited	-	(0.18)	621.53
		Shih Hua Technology Ltd.	-	1.01	8.51
		Pan-International Industrial Corp	-	15.78	55.24
		Innolux Corporation	-	-	74.61
		Fitipower Integrated Technology Inc	-	-	0.07
		Futaihua Industrial (Shenzhen) Co., Ltd.	-	-	-
		FIH Singapore Trading Pte Ltd	-	-	-
		Guizhou FIH Precision Electronics Co Ltd	-	0.03	-
		View Great Limited	-	10.60	258.03
		Sharp Honkong Limited	-	-	-
		Cheng Uei Precision Industry Co.,Ltd	-	-	-
		Ur Materials Industry (Shenzen) Co Ltd	44.29	67.12	14.93
		Jusda International Limited	-	1.99	-
		Fortunebay Technology Pte Ltd	1,051.36	1,047.59	680.37
	Ultimate Holding Company of FIH Mobile Limited	Honhai Precission Industry Company Limited	1,156.36	938.33	-
Rent	Fellow Subsidiaries	FIH India Developer Private Limited	140.00	143.73	146.52
Reimbursement of expense paid	Fellow Subsidiaries	FIH India Developer Private Limited	381.91	281.85	332.88
		FIH India Private Limited	28.63	-	0.26
		RISING STARS HI-TECH PRIVATE LIMITED	5.36	-	-
Other Expenses	Fellow Subsidiaries	Jusda India Supply Chain Management India Private Limited	308.90	381.66	274.31
		1St Special Material International Holdings Ltd	-	-	0.78
		FIH (Hong Kong) Limited	1.51	4.95	26.98
		FIH Precision Electronics (Langfang) Limited	24.22	12.91	18.59
		Foxconn Technology India Pvt Ltd	3.13	12.48	19.32
		Foxconn Technology Co Ltd	-	-	0.16
		Great Promote Limited	-	375.07	11.38
		Guizhou FIH Precision Electronics Co. Ltd	-	-	0.38
		Innolux Corporation	-	-	86.17
		Sharp Business Systems India Private Limited	4.44	3.42	4.29
		JUSDA INTERNATIONAL LIMITED	0.77	-	-
		Shih Hua Technology Ltd.	-	-	0.34
	Ultimate Holding Company of FIH Mobile Limited	Honhai Precission Industry Company Limited	0.04	0.10	-
Loan repayment (Refer Note 12)	Fellow Subsidiaries	FIH India Developer Private Limited	40.00	-	-
Deposits converted to loan	Fellow Subsidiaries	FIH India Developer Private Limited	86.80	-	-
Key Management Personnel - Remuneration	Key Management Personnel	Clement Joshua Foulger (Managing Director)	7.07	-	-
		Liu Chien Liang (Director)	1.40	2.40	2.00
		Ramachandran Kunnath (CFO and Company Secretary)	7.45	-	-
Key Management Personnel - Incentive Accrued	Key Management Personnel	Clement Joshua Foulger (Managing Director)	0.88	-	-
		Liu Chien Liang (Director)	0.30	-	-
		Ramachandran Kunnath (CFO and Company Secretary)	0.82	-	-
Key Management Personnel - No. of Options Granted (Refer Note 33.2A)	Key Management Personnel	Clement Joshua Foulger (Managing Director)	10.00	-	-
		Liu Chien Liang (Director)	1.00	-	-
		Ramachandran Kunnath (CFO and Company Secretary)	5.00	-	-
		HUI CHUNG CHEN	10.00	-	-
		KAM WAH Danny TAM	10.00	-	-

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

33.2A The above options granted to KMP's were cancelled. Refer Note 31.4

Others					
Purchase/(Purchase Returns) of Capital Goods	Fellow Subsidiaries	Competition Team Technologies (India) Private Limited	-	-	-
		FIH (Hong Kong) Limited	68.16	33.83	145.90
		FIH India Developer Private Limited	-	(0.03)	1.18
		FIH Precision Electronics (Langfang) Limited	108.97	9.19	38.59
		Foxteq Services India Pvt Ltd	-	-	0.18
		Fushan Technology (Vietnam)	0.24	0.90	4.78
		Guizhou FIH Precision Electronics Co. Ltd	-	-	78.88
		Great Promote Limited	-	(5.58)	136.53
		Hong Fu Jin Precision Industry (Shenzen) Co., ltd	-	-	-
		Futaijing Precision Electronics (Beijing) Co. Ltd.	1.47	-	5.14
		SHENZHEN FUTAIHONG PRECISION TECHNOLOGY CO LTD	3.04	-	-
		Jusda India Supply Chain Management India Private Limited	-	-	-
		Sharp Business Systems India	-	-	-
		FIH India Private Limited	-	565.56	-
		TNS Mobile India Pvt Ltd	-	-	-
Sale of Assets	Fellow Subsidiaries	FIH India Developer Private Limited	-	-	-
Allotment of Shares	Immediate Holding Company	Wonderful Stars Pte Limited	-	-	7,150.00
	Promoter Group	Aptech Electronics Pte Limited	-	-	0.03

Particulars		**Related party**	**As at 31 March 2022**	**As at 31 March 2021**	**As at 31 March 2020**
			Rs.	**Rs.**	**Rs.**
Receivables (including contractually reimbursable expenses)	Fellow Subsidiaries	FIH India Developer Private Limited	63.21	39.75	-
		Futaijing Precision Electronics (Beijing) Co., ltd	0.00	0.00	0.94
		Great Promote Limited	(0.40)	12.25	1,837.21
		FIH (Hong Kong) Limited	6.69	7.93	6.55
		Guizhou Fih Precision Electronics Co Ltd	0.42	0.41	0.42
		Innocom Electronics India Private Limited	-	0.71	0.87
		Best Ever Industries Limited	-	-	-
		Foxconn Hon Hai Technology India Mega Development Private Limited	14.28	1.84	4.40
		Foxconn Technology (India) Pvt Ltd	1.57	0.17	0.27
		COMPETITION TEAM TECHNOLOGY INDIAPVT LTD	0.75	-	-
		TNS Mobile India PVT LTD	0.86	-	-
		Wonderful Stars Pte limited (Refer Note 13 and 14.1)	69.58	-	-
Short Term Loan	Fellow Subsidiaries	FIH India Developer Private Limited	196.80	150.00	150.00
Lease & EB Deposits	Fellow Subsidiaries	FIH India Developer Private Limited	112.16	193.67	173.67
Accrued Interest on Loan	Fellow Subsidiaries	FIH India Developer Private Limited	-	21.07	12.11
Payables (net of TDS wherever applicable)	Fellow Subsidiaries	FIH (Hong Kong) Ltd	16.91	52.45	252.80
		FIH (Hong Kong) Ltd Euro	(0.01)	-	-
		FIH Precision Electronics (Langfang) Limited	73.59	-	1.38
		Hongfujin Precision Electronics (Zhenghou) co ltd	-	-	0.49
		FIH India Private Limited	301.99	0.27	0.27
		FIH India Developer Private Limited	-	-	86.99
		Best Ever Industries Limited	-	-	5.82
		Foxconn Interconnect Technology Singapore Pte Ltd.	0.34	7.02	3.34
		Foxconn Techncology Co Ltd	-	-	0.16
		Great Promote Limited	386.96	392.57	1,036.66
		Shih Hua Technology Ltd	-	-	3.20
		1St Special Material InternationalHoldings Ltd	0.01	0.01	0.01
		Sharp Business Systems India	-	-	-
		Fushan Technology (Vietnam)	-	-	0.44
		Cheng Uei Precision Industry Co Ltd	-	-	-
		Futaihua Industry (Shenzhen)Co.,Ltd	-	-	-
		Garuda International Limited	-	1.13	-
		Innolux Corporation	-	0.00	-
		Jusda India Supply Chain Management	15.49	36.18	6.84
		Pan-International Industrial Corp	-	0.05	29.29
		Fitipower Integrated Technology Inc.	-	-	-
		View Great Limited	0.06	0.03	35.25
		Guizhou Fih Precision Electronics	1.44	-	12.56
		Ur Materials Industry (Shenzhen) Co Ltd	1.32	0.01	5.52
		Fortunebay Technology Pte.Ltd.	160.82	250.54	-
		Honhai Precision Industry Co., Ltd	43.33	14.45	-
		Foxteq Services India Pvt Ltd	-	-	-
		Sharp Business Systems India Pvt Ltd	0.27	-	-
		Jusda International Limited	2.80	1.95	-

Payable to Key Management Personnel (Represent provisions created towards incentive and salaries not paid as at 31st March 2022)	Key Management Personnel	Clement Joshua Foulger (Managing Director)	1.08	-	-
		Liu Chien Liang (Director)	0.37	-	-
		Ramachandran Kunnath (CFO and Company Secretary)	1.01	-	-
Payable on Purchase of Property, Plant & Equipment	Fellow Subsidiaries	Hongfujin Precision Electronics (Zhenghou) co ltd		-	-
		FIH Honkong Limited	23.59	-	-
		Guizhou Fih Precision Electronics Co Ltd	11.25	-	-
		Great Promote Limited	20.07	-	-
		FIH India Private Limited	54.17	667.59	-
		Sharp Business Systems India	-	0.38	0.35
		Shenzshen Futaihong Precision	-	-	-
		Fih Precision Electronics (Langfang) Co Ltd	4.36	6.60	-
		Guizhou Fih Precision Electronics Co Ltd	-	12.23	-

33.2 Transactions with related parties eliminated on consolidation:

Particulars	Category	Related party	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Reimbursement of expenses received	Subsidiary	Rising Star Hi-tech Private Limited	4.96	-	-
Rates and taxes	Subsidiary	Rising Star Hi-tech Private Limited	4.15	-	-
Legal and professional expenses	Subsidiary	Rising Star Hi-tech Private Limited	0.88	-	-
Investment in subsidiaries	Subsidiary	Rising Star Hi-tech Private Limited	500.00	-	-
		Bharat Taiwan Corporation	73.09	-	-

Balance outstanding with related parties eliminated on consolidation:

Particulars	Category	Related party	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Investment in subsidiaries	Subsidiary	Rising Star Hi-tech Private Limited	500.00	-	-
		Bharat Taiwan Corporation	73.09	-	-

34 Obligations Towards Operating Leases

The Group has adopted IND AS 116 "Leases" for the purpose of preparation of restated financial information. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Group has applied Ind AS 116 using the modified retrospective approach which resulted in recognition of Right of Use Asset (ROU) and equivalent Lease Liability.

The following is the summary of practical expedients elected on initial application:
1. Applying a single discount rate to a portfolio of leases with reasonably similar characteristics
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The Group has adopted IND AS 116 from 1 April 2019.

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

The following is the break-up of current and non-current lease liabilities :

Particulars	As at 31-March-2022	As at 31-March-2021	As at 31-March-2020
Current lease liabilities	206.55	94.17	99.95
Non-current lease liabilities	246.94	517.23	449.96
Total	**453.49**	**611.40**	**549.91**

B. Movement in Lease Liabilities

Particulars	As at 31-March-2022	As at 31-March-2021	As at 31-March-2020
Opening Balance	611.41	549.91	-
Additions	147.20	364.62	859.05
Finance costs accrued during the period	46.55	49.77	54.66
Deletions	-	(28.09)	(16.14)
Payment of Lease liabilities	(351.66)	(324.81)	(347.66)
Total	**453.50**	**611.40**	**549.91**

C. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31-March-2022	As at 31-March-2021	As at 31-March-2020
Less than one year	286.83	333.53	229.72
One to five years	269.19	360.56	282.71
More than five years	64.47	116.04	167.62

D. Amounts recognized in statement of profit and loss

Particulars	2021-22	2020-21	2019-20
Interest on lease liabilities	46.55	49.77	54.66
Depreciation on right of use asssets	310.00	287.30	312.24
Expenses relating to short- term leases and low value assets	72.26	88.60	145.12

35 Earnings per Share

Particulars	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Profit after Tax - Rs.	1,950.57	1,619.15	3,897.13
Weighted average number of Equity Shares	2,38,09,44,980	2,38,09,44,980	1,87,49,75,042
Earnings per Share - Basic in Rs.	0.82	0.68	2.08
- Diluted in Rs.	0.82	0.68	2.08
Face value per Share - in Rs.	10	10	100

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

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

36 Taxation

36.1 Current Tax

Particulars	For the Year Ended 31 March 2022 Rs.	For the Year Ended 31 March 2021 Rs.	For the Year Ended 31 March 2020 Rs.
Current Tax:			
Current Income Tax Charge	1,075.40	708.58	1,026.62
Adjustment of Current Tax Relating to Earlier Years	9.64	(57.34)	-
Total	**1,085.04**	**651.24**	**1,026.62**
Deferred Tax:			
Difference between book balance and tax balance of property, plant and equipment	(327.74)	(160.89)	(325.73)
In respect of current year origination and reversal of temporary differences	(24.61)	87.87	408.56
Provision for compensated absences, gratuity and other employee benefits	(2.03)	(12.59)	(82.77)
Provision for VAT incentive	(10.90)	-	-
Provision for other receivables	(9.26)	(8.68)	-
Unabsorbed depreciation and brought forward loss	-	-	561.58
Net DTA restricted to the extent of DTL	-	-	(755.39)
Creation and utilisation of MAT Credit	-	(264.56)	-
Provision for Bonus	5.39	3.13	-
Effect on deferred tax balances due to the change in income tax rate from 34.944% to 25.168% *	-	53.13	-
Others	-	(2.75)	3.74
Total	**(369.15)**	**(305.34)**	**(190.01)**
Total tax expense recognised in statement of profit and loss	**715.89**	**345.90**	**836.61**

* During the year 2020-21,the Group has adopted concessational tax rate of 22% as per Sec 115BAA of the Income Tax Act,1961.Consequently the deferred tax amount of Rs.53.13 million has been charged off to the Restated Statement of Profit & Loss.

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

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Amount Rs.	Tax Amount Rs.	Amount Rs.	Tax Amount Rs.
Restated Profit before tax from Operations				
Audited Profit Before tax from Operations	2,666.46	671.10	1,965.05	494.56
Loss from Subsidiary	73.89	18.60	-	-
Audited Profit Before tax from Operations	2,740.35	689.70	1,965.05	494.56
Income Tax using the Group's Tax rate at 25.168% (34.944%)				
Tax Effect of :				
Effect of expenses that are not deductible in determining taxable profit	96.57	24.30	526.82	132.59
Effect of Allowances in income tax	(30.33)	(7.63)	(49.63)	(12.49)
Effect on deferred tax balances due to the change in income tax rate from 34.944% to 25.168% *	-	-	211.08	53.14
Adjustment recognised in the current year in relation to the current income tax of prior years	38.33	9.64	(1,278.99)	(321.90)
Effect of Other Adjustments	(0.45)	(0.12)	-	-
	2,844.47	**715.89**	**1,374.33**	**345.90**

* During the year 2020-21,the Group has adopted concessational tax rate of 22% as per Sec 115BAA of the Income Tax Act,1961.Consequently the deferred tax amount of Rs.53.13 million has been charged off to the Restated Statement of Profit & Loss.

Particulars	For the year ended 31 March 2020	
	Amount	Tax Amount
Restated Profit before tax from Operations		
Audited Profit Before tax from Operations	4,733.74	1,653.97
Loss from Subsidiary	-	-
Audited Profit Before tax from Operations	4,733.74	1,653.97
Income Tax using the Group's Tax rate at 25.168%		
Tax Effect of :		
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	(1,223.33)	(427.43)
Effect of expenses that are not deductible in determining taxable profit	38.76	13.54
Effect of Allowances in income tax	(1,154.75)	(403.47)
Changes in deductible temporary differences	-	-
	2,394.42	**836.61**

36.3 Income Tax on Other Comprehensive Income

Particulars	For the Year Ended 31 March 2022 Rs.	For the Year Ended 31 March 2021 Rs.	For the Year Ended 31 March 2020 Rs.
Deferred Tax:			
Remeasurement of defined benefit obligation	(2.24)	0.19	(0.13)
Total	**(2.24)**	**0.19**	**(0.13)**

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

Particulars	For the year ended 31 March 2022 Rs.					
	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT Credit utilsiation/Other adjustments	Effect of change in tax rate	Closing balance
Tax effect of items constituting deferred tax assets:						
Difference between depreciation as per Books of Account and Income Tax Act, 1961	(3.13)	327.74	-	-	-	324.61
Provision for VAT incentive receivable	31.55	10.90	-	-	-	42.45
Provision for Other receivable	8.68	9.26	-	-	-	17.93
Provision for Inventory	38.39	23.38	-	-	-	61.76
Employee Benefits	91.47	2.04	(2.24)	-	-	91.26
Provision for Bonus	56.13	(5.39)	-	-	-	50.75
Others - IND AS 116	7.39	1.23	-	-	-	8.63
Reversal of net DTA restricted to the extent of DTL Deferred Tax Assets (DTA)						
Deferred Tax Assets (DTA)	**230.48**	**369.16**	**(2.24)**	**-**	**-**	**597.39**

Particulars	For the year ended 31 March 2021 Rs.					
	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT Credit utilsiation/Other adjustments	Effect of change in tax rate	Closing balance
Tax effect of items constituting deferred tax liabilities:						
Difference between depreciation as per Books of Account and Income Tax Act, 1961	227.73	(160.89)			(63.71)	(3.13)
Employee Benefits	-					
Deferred Tax Liabilities (DTL)	**227.73**	**(160.89)**	**-**	**-**	**(63.71)**	**(3.13)**
Tax effect of items constituting deferred tax assets:						
Provision for VAT incentive receivable	43.81	-	-	-	(12.26)	31.55
Provision for Other receivable	-	8.68	-	-	-	8.68
Provision for Inventory	175.29	(87.87)	-	-	(49.03)	38.39
Employee Benefits	109.78	12.59	0.20	-	(31.10)	91.47
Provision for Bonus	82.28	(3.13)	-	-	(23.02)	56.13
Others - IND AS 116	6.46	2.74	-	-	(1.81)	7.39
MAT Credit availment/utilisation	0.00	264.56	-	(264.56)	-	-
Deferred Tax Assets (DTA)	**417.62**	**197.57**	**0.20**	**(264.56)**	**(117.22)**	**233.61**
Net Deferred Tax Assets	**189.89**	**358.46**	**0.20**	**(264.56)**	**(53.51)**	**230.48**

Particulars	For the year ended 31 March 2020 Rs.					
	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT Credit utilsiation/Other adjustments	Effect of change in tax rate	Closing balance
Tax effect of items constituting deferred tax liabilities:						
Difference between depreciation as per Books of Account and Income Tax Act, 1961	553.46	(325.73)	-	-	-	227.73
Employee Benefits	-					
Deferred Tax Liabilities (DTL)	**553.46**	**(325.73)**	**-**	**-**	**-**	**227.73**
Tax effect of items constituting deferred tax assets:						
Deferred Rent	10.20	(10.20)	-	-	-	-
Provision for VAT incentive receivable	43.81	-	-	-	-	43.81
Provision for Inventory	583.85	(408.56)	-	-	-	175.29
Employee Benefits	84.17	25.72	(0.13)	-	-	109.78
Provision for Bonus	25.24	57.05	-	-	-	82.28
Unabsorbed Depreciation and brought forward loss	561.58	(561.58)	-	-	-	-
Others - IND AS 116	-	6.46	-	-	-	6.46
Reversal of net DTA restricted to the extent of DTL	(755.39)	755.39	-	-	-	-
Deferred Tax Assets (DTA)	**553.46**	**(135.72)**	**(0.13)**	**-**	**-**	**417.62**
Net Deferred Tax Assets	**0.00**	**190.01**	**(0.13)**	**-**	**-**	**189.89**

37 International Transactions

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

37.1 Corporate Social Responsibility (CSR)

Particulars	For the Year Ended 31 March 2022 Rs.	For the Year Ended 31 March 2021 Rs.	For the Year Ended 31 March 2020 Rs.
(i) amount required to be spent by the Group during the year,	56.11	25.43	7.91
(ii) amount of expenditure incurred,	21.03	-	-
(iii) shortfall at the end of the year,	35.08	25.43	7.91
(iv) total of previous years shortfall,	60.55	25.36	17.45
(v) reason for shortfall,	1. Company was in the process of identifying the project suitable for CSR spend. 2. The Group has identified long term/ongoing project and allocated funds to be spent over a period of 3 years. 3. The Group has deposited the unspent CSR account in April 2022 in the specific project bank account.	1. Company was in the process of identifying the project suitable for CSR spend. 2. The Group has identified long term/ongoing project and allocated funds to be spent over a period of 3 years. 3. The Group has deposited the unspent CSR account in April 2021 in the specific project bank account.	Company was in the process of identifying the project suitable for CSR spend.
(vi) nature of CSR activities,	Medical Equipment provided to various Primary Health Centres (PHC), Village Development, Ration Kit, Odisha disaster relief fund & Covid -19 medical support.	NA	NA
(vii) details of related party transactions, e.g., contribution to a trust controlled by the Group in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA	NA
(viii)where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Opening provision: 25.43 Add: Current year provision 56.11 Less: Payments: 21.03 Closing balance: 60.51	Opening provision: - Add: Current year provision 25.43 Less: Payments: - Closing balance: 25.43	NA

38 Financial Instruments

38.1 Capital Management

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

Gearing Ratio :

Particulars	As at 31 March 2022 Rs.	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Debt (Refer Note 18)	-	-	-
Cash and Cash equivalents (Refer Note 11)	(4,104.59)	(8,612.82)	(11,463.46)
Net Debt	**(4,104.59)**	**(8,612.82)**	**(11,463.46)**
Total Equity (Refer Notes 15)	30,315.65	28,357.35	26,738.78
Net Debt to equity ratio	**-14%**	**-30%**	**-43%**

38.2 Categories of Financial Instruments

Financial Assets:

Particulars	As at 31 March 2022 Rs.	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Measured at amortised cost			
- Security Deposits	233.46	275.09	338.11
- Trade receivables	51,077.73	36,087.64	37,689.30
- Cash and Cash equivalents	4,214.59	8,722.82	11,463.46
- Loans	197.08	152.03	156.33
- Interest on loan to related parties	-	21.07	12.11
- Other Receivables	17.02	5.72	37.69
- VAT Incentive Receivable	260.35	316.20	316.20
- Interest accrued, but not due on Fixed Deposits with banks	5.50	4.30	6.97
- Recoverable from Holding Company (Refer Notes 14.1 & 31.2)	69.58	-	-
Total	**56,075.31**	**45,584.87**	**50,020.17**

Financial Liabilities :

Particulars	As at 31 March 2022 Rs.	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Measured at amortised cost			
- Borrowings	-	-	-
- Trade payables	59,753.63	52,436.94	56,436.62
- Payable on purchase of Property, Plant & Equipment	453.52	965.64	273.73
- Deposits received from customers/ others	33.87	20.62	20.12
- Interest accrued and not due on borrowings	-	-	-
-'- Lease Liabilities	453.49	611.40	549.91
Other derivative liabilities	-	-	-
Total	**60,694.51**	**54,034.60**	**57,280.38**

38.3 Financial Risk Management Framework:

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

The Group has not offset financial assets and financial liabilities.

38.4 Market Risk:

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

38.5 Foreign Currency Risk Management:

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

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :
The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

A. Outstanding as at 31 March 2022

Particulars	Currency	Amount in Foreign Currency (Millions)	Rs. (in Millions)
Payables (including Payables on purchase of fixed assets)	EUR	0.19	1.63
	USD	29.44	2,232.82
Bank Balance - EEFC	New Taiwan Dollar	16.79	44.45

B. Outstanding as at 31 March 2021

Particulars	Currency	Amount in Foreign Currency (Millions)	Rs. (in Millions)
Payables (including Payables on purchase of fixed assets)	EUR	0.01	0.96
	USD	47.69	3,489.33

C. Outstanding as at 31 March 2020

Particulars	Currency	Amount in Foreign Currency (Millions)	Rs. (in Millions)
Payables (including Payables on purchase of fixed assets)	EUR	0.04	3.39
	USD	239.58	18,056.41

38.6 Foreign Currency sensitivity analysis :

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

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

(i) Impact of USD

Particulars	As at 31 March 2022 Rs.	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Impact on Profit or (Loss) for the year and on total equity as at the end of the reporting period			
Increase by 5%	111.64	174.47	902.82
Decrease by 5%	(111.64)	(174.47)	(902.82)

(ii) Impact of EUR

Particulars	As at 31 March 2022 Rs.	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Impact on Profit or (Loss) for the year and on total equity as at the end of the reporting period			
Increase by 5%	0.08	0.05	0.17
Decrease by 5%	(0.08)	(0.05)	(0.17)

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

38.7 Liquidity Risk Management :

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

Liquidity and Interest Risk Tables :

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

Particulars	Less than 1 month	1 to 3 months	3 months to 1 Year	Beyond 1 Year	Total
			Rs.		
31 March 2022					
Non-interest bearing:					
Trade Payable	57,963.66	388.63	4.13	1,397.21	59,753.63
Other Financial liabilities	12.70	36.60	13.63	424.46	487.39
Lease liabilities	-	69.93	136.62	246.94	453.49
Total	**57,976.36**	**495.16**	**154.38**	**2,068.61**	**60,694.51**
31 March 2021					
Non-interest bearing:					
Trade Payable	47,627.52	2,175.02	1,637.81	996.59	52,436.94
Other Financial liabilities	-	986.26	-	-	986.26
Lease liabilities	-	-	94.17	517.23	611.40
Total	**47,627.52**	**3,161.28**	**1,731.98**	**1,513.82**	**54,034.60**
31 March 2020					
Non-interest bearing:					
Trade Payable	49,618.43	4,947.07	353.88	1,517.24	56,436.62
Other Financial liabilities	-	293.85	-	-	293.85
Lease liabilities	-	-	99.95	449.96	549.91
Total	**49,618.43**	**5,240.92**	**453.83**	**1,967.20**	**57,280.38**

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

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

Particulars	Less than 1 month	1 to 3 months	3 months to 1 Year	Beyond 1 Year	Total
			Rs.		
31 March 2022					
Cash in hand	-	-	-	-	-
Balances with Banks held in Current Accounts	330.14	-	-	-	330.14
Trade Receivables	27,163.62	23,814.81	97.03	2.27	51,077.73
Loans to Related Parties	-	-	196.80	-	196.80
Interest on related parties	-	-	-	-	-
Advances to Employees	0.01	0.15	-	0.12	0.28
Security Deposit	-	-	-	-	-
Other Financial Assets	-	-	211.21	374.70	585.91
VAT Receivable	-	-	-	-	-
Fixed interest rate instruments					
Fixed Deposits	3,774.45	-	110.00	-	3,884.45
	31,268.22	**23,814.96**	**615.04**	**377.09**	**56,075.31**
31 March 2021					
Non-interest bearing					
Cash in hand	0.05	-	-	-	0.05
Balances with Banks held in Current Accounts	582.78	-	-	-	582.78
Trade Receivables	35,804.61	0.18	281.53	1.32	36,087.64
Loans to Related Parties	-	-	150.00	-	150.00
Advances to Employees	-	0.12	-	1.91	2.03
Other Financial Assets	-	-	114.26	508.13	622.39
Fixed interest rate instruments					
Fixed Deposits	-	8,030.00	110.00	-	8,140.00
	-		-		
Total	**36,387.44**	**8,030.30**	**655.79**	**511.36**	**45,584.89**
31 March 2020					
Non-interest bearing					
Cash in hand	0.05	-	-	-	0.05
Balances with Banks held in Current Accounts	313.41	-	-	-	313.41
Trade Receivables	34,665.15	1,053.42	1,957.43	13.30	37,689.30
Loans to Related Parties	-	-	70.00	80.00	150.00
Advances to Employees	6.33	-	-	-	6.33
Other Financial Assets	56.77	-	-	654.32	711.08
Fixed interest rate instruments					
Fixed Deposits	-	11,150.00	-	-	11,150.00
Total	**35,041.71**	**12,203.42**	**2,027.43**	**747.62**	**50,020.17**

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

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

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

38.8 Credit Risk:

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

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

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

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

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

39 Fair Value Measurement

39.1 Financial assets and financial liabilities that are measured at fair value on a recurring basis
Financial assets and fianancial liabilities measureed at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurements:
*Level 1 - Quoted price in an active market

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

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

There have been no transfers between Level 1 and Level 2.

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

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

40 Statutory Group Information

	Net Assets ie. Total assets minus total liabilities		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
Name of the entity in the Group	**As % of consolidated net assets**	**Amount**	**As % of consolidated profit**	**Amount**	**As % of consolidated other comprehensive income**	**Amount**	**As % of consolidated total comprehensive income**	**Amount**
Balance as at 31 March 2022								
Parent								
Bharat FIH Limited	100.24%	30,388.48	103.79%	2,024.46	86.18%	6.67	103.72%	2,031.13
Subsidiaries								
Rising Star Hi Tech Private Limited	1.61%	488.80	-0.57%	(11.20)	-	-	-0.57%	(11.20)
Bharat Taiwan Corporation	0.00	11.46	-3.21%	(62.70)	-	1.07	-3.15%	(61.63)
Consolidation Adjustment	-1.89%	-573.09	0.00%	-	-	-	0.00%	-
Total								
Balance as at 31 March 2022	100.00%	30,315.65	100.00%	1,950.56	100.00%	7.74	100.00%	1,958.30

41 RATIOS:

Ratio	Numerator	Denominator	As at 31 March 2022			As at 31 March 2021			Variance
			Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	
a) Current Ratio	Current Assets	Current liabilities	89,283.24	66,409.26	1.34	78,105.82	58,156.74	1.34	0.11%
(b) Debt-Equity Ratio	Total Debt	Shareholders Equity	-	30,315.65	-	-	28,357.35	-	0.00%
(c) Debt Service Coverage Ratio	Earnings available for debt service * (PAT+Depreciation & amortization+Interest on borrowings & lease liabilities + Loss on sale of fixed assets+Other non cash adjustements+Any non cash operating expenses)	Debt service (Interest on borrowings & lease liabilities + Lease Payments + Principal repayments of borrowings)	4,881.97	398.21	12.26	4,155.63	3,860.15	1.08	1038.81%
Movement in earnings available for debt service due to increase in PAT to the extent of 20% for the Period ended March 2022 and there is a substantial reduction in the loan amount thus reflecting low Interest Cost and principal repayment for the period ended March 2022 as compared to financial year ending March 2021.									
(d) Return on Equity Ratio	Profit available for Equity shareholders (PAT) *	Average Shareholder's Equity	1,950.57	29,336.50	6.65%	1,619.15	27,548.07	5.88%	13.12%
(e) Inventory turnover ratio	COGS * (Cost of Materials Consumed+Changes in inventories of WIP & Finished Goods)	Average inventory	1,68,604.40	24,426.34	6.90	1,46,930.54	23,329.14	6.30	9.60%
(f) Trade Receivables turnover ratio	Net credit sales (net of sales returns)*	Average accounts receivable	1,81,492.04	43,582.69	4.16	1,58,548.58	36,888.47	4.30	-3.11%
(g) Trade payables turnover ratio	Net credit purchases (net of purchase returns)*	Average trade payables	1,67,936.28	54,829.30	3.06	1,49,793.04	54,436.78	2.75	11.31%
(h) Net capital turnover ratio	Net sales (net of sales)*	Working capital Current assets - Current liabilities	1,81,492.04	22,873.98	7.93	1,58,548.58	19,949.08	7.95	-0.17%
(i) Net profit ratio	PAT*	Net sales (net of sales return)*	1,950.57	1,81,492.04	1.07%	1,619.15	1,58,548.58	1.02%	5.24%
(j) Return on Capital employed	EBIT (Earnings before interest & tax) = Profit before tax + Finance costs - Other income	Average Capital employed(Tangible net worth + Total debt + Deferred Tax Liability) (Tangible net worth = Total assets-Intangible assets-Total liabilities)#	2,248.14	22,595.71	9.95%	1,683.18	17,323.68	9.72%	2.40%
(k) Return on investment	This ratio is not applicable since the company does not have any projects / investments other than current operations								

Tangible net worth : Total assets - Intangible assets - Total liabilities
Total assets : Total assets - Right of use assets - Deferred tax assets (net)
Total liabilities : Total liabilities - Lease liabilities - Deferred tax liabilities (net)
Total Debt : Borrowings - Cash & cash equivalents
Average capital employed is considered as the denominator.

41 RATIOS:

			As at 31 March 2021			As at 31 March 2020			Variance
Ratio	**Numerator**	**Denominator**	**Numerator**	**Denominator**	**Ratio**	**Numerator**	**Denominator**	**Ratio**	
a) Current Ratio	Current Assets	Current liabilities	78,105.82	58,156.74	1.34	76,191.90	58,976.28	1.29	3.96%
(b) Debt-Equity Ratio	Total Debt	Shareholders Equity	-	4,547.90	-	-	2,929.33	-	0.00%
(c) Debt Service Coverage Ratio	Earnings available for debt service (PAT+Depreciation & amortization+Interest on borrowings & lease liabilities + Loss on sale of fixed assets+Other non cash adjustements+Any non cash operating expenses)	Debt service (Interest on borrowings & lease liabilities + Lease Payments + Principal repayments of borrowings)	4,155.63	3,860.15	1.08	7,343.77	72,478.03	0.10	962%
Reasons for variance (where variance is > 25%):									
Movement in earnings available for debt service due to decline in PAT to the extent of 58.45% and consequent movement in other equity in financial year 2020-21 in comparison to financial year 2019-20 principally in connection with the decrease in our revenue in Financial Year 2021, which was largely attributable to lower production volumes on account of the COVID-19 pandemic.									
(d) Return on Equity Ratio,	Profit available for Equity shareholders (PAT)	Average Shareholder's Equity	1,619.15	27,548.07	5.88%	3,897.13	21,208.39	18.38%	-68%
Reasons for variance (where variance is > 25%):									
Decline in PAT to the extent of 58.45% and consequent movement in other equity in financial year 2020-21 in comparison to financial year 2019-20 principally in connection with the decrease in our revenue in Financial Year 2021, which was largely attributable to lower production volumes on account of the COVID-19 pandemic.									
(e) Inventory turnover ratio,	COGS (Cost of Materials Consumed+Changes in inventories of WIP & Finished Goods)	Average inventory	1,46,930.54	23,329.14	6.30	2,48,981.02	26,430.94	9.42	-33%
Reasons for variance (where variance is > 25%):									
Decline in cost of goods sold (COGS)- The decrease was on account of a. The lower volume of components and raw materials consumed, given the supply constraints on account of COVID-19 and resultant lockdowns and this was in line with the decrease in manufacturing activities during the financial year b. Decrease in changes in inventories of work in progress and finished goods on account of the build-up of work-in-progress inventory due to the shortage of critical components and supply chain disruptions on account of COVID-19 related lockdowns									
(f) Trade Receivables turnover ratio,	Net credit sales (net of sales returns)	Average accounts receivable	1,58,548.58	36,888.47	4.30	2,66,355.58	36,809.89	7.24	-41%
Reasons for variance (where variance is > 25%):									
Decline in net sales (revenue from operations)- primarily due to the COVID-19 pandemic which significantly impacted production and, for certain periods, demand from key OEM customers.									
(g) Trade payables turnover ratio,	Net credit purchases (net of purchase returns)	Average trade payables	1,49,793.04	54,436.78	2.75	2,39,914.92	57,521.17	4.17	-34%
Reasons for variance (where variance is > 25%):									
Decline in average purchases in line with decline in manufacturing activities and revenue from operations									

Bharat FIH Limited (formerly known as Bharat FIH Private Limited/Rising Stars Mobile India Private Limited)
Notes to the Restated Financial Information
(All amounts in INR millions, except share data or as otherwise stated)

41 RATIOS:

			As at 31 March 2021			As at 31 March 2020			Variance
Ratio	**Numerator**	**Denominator**	**Numerator**	**Denominator**	**Ratio**	**Numerator**	**Denominator**	**Ratio**	
(h) Net capital turnover ratio	Net sales (net of sales)	Working capital Current assets - Current liabilities	1,58,548.58	19,949.08	7.95	2,66,355.58	17,215.62	15.47	-49%
Reasons for variance (where variance is > 25%):									
1.Decline in net sales (revenue from operations)- primarily due to the COVID-19 pandemic which significantly impacted production and, for certain periods, demand from key OEM customers. 2.Increase in working capital on account of: a. Increase in current assets- increase in inventories as a result of building additional inventory to mitigate future disruption from supply chain shortages for integrated chipsets and increase in other current assets primarily due to increase in GST input credit offset by slight decline in trade receivables. b. Decrease in current liabilities- primarily on account of decrease in trade payables as a result of the decrease in cost of goods sold									
(i) Net profit ratio	PAT	Net sales (net of sales)	1,619.15	1,58,548.58	1.02%	3,897.13	2,66,355.58	1.46%	-30%
Reasons for variance (where variance is > 25%):									
1.Decline in net sales (revenue from operations)- primarily due to the COVID-19 pandemic which significantly impacted production and, for certain periods, demand from key OEM customers. 2. Decline in PAT to the extent of 58.45% and consequent movement in other equity in financial year 2020-21 in comparison to financial year 2019-20 principally in connection with the decrease in our revenue in Financial Year 2021, which was largely attributable to lower production volumes on account of the COVID-19 pandemic.									
(j) Return on Capital employed,	EBIT (Earnings before interest & tax) = Profit before tax + Finance costs - Other income	Average Capital employed(Tangible net worth + Total debt + Deferred Tax Liability) (Tangible net worth = Total assets-Intangible assets-Total liabilities)#	1,683.18	17,323.68	9.72%	4,677.33	17,617.48	26.55%	-63%
Reasons for variance (where variance is > 25%):									
Decline in EBIT- reflecting the reduction in revenues and increase in variable costs on account of COVID-19 related safety protocols.									
(k) Return on investment.	This ratio is not applicable since the company does not have any projects / investments other than current operations								

Tangible net worth : Total assets - Intangible assets - Total liabilities
Total assets : Total assets - Right of use assets - Deferred tax assets (net)
Total liabilities : Total liabilities - Lease liabilities - Deferred tax liabilities (net)
Total Debt : Borrowings - Cash & cash equivalents
Average capital employed is considered as the denominator.

42	Other Notes:
42A	Utilisation of Borrowed funds and share premium: To the best of our knowledge and belief no funds (which are material either individually or in the aggregate)have been advanced or loaned or invested(either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies) , including foreign entities (Intermediaries) with the understanding ,whether recorded in writing or otherwise ,that the intermediary shall directly or indirectly end or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries)or provide any guarantee ,security or the like on behalf of the ultimate beneficiaries. To the best of our knowledge and belief no funds (which are material either individually or in the aggregate)have been received by the company from any person (s), or entity (ies) including foreign entities (Funding parties) with the understanding, whether recorded in writing or otherwise , that the company shall, directly or indirectly, lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the Funding party (The ultimate beneficiaries) or provide any guarantee or security or the like on behalf of the ultimate beneficiaries
42B	Dislcosure in relation to Undisclosed Income: There were no transactions related to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the income tax act 1961 (43 of 1961)during the year.
42C	Borrowings secured against current assets: The Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets and hence has not filed any quarterly statements with banks or financial institution.
42D	Wilful Defaulter: The Company has not been declared wilful defaulter by any bank or financials institution or government or any government authority.

43 **Approval of Restated Financial Information**

In connection with the preparation of the Restated Financial Information, the Board of Directors have confirmed the propriety of the contracts / agreements entered into by / on behalf of the Group and the resultant revenue earned / expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Group and have confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the restated financial information. In addition, the Board has also confirmed the carrying value of the non-current assets in the restated financial information. The Board, duly taking into account all the relevant disclosures made, has approved these restated financial information in its meeting held on 20 June 2022

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

Kam Wah Danny Tam **Director** Place: Taipei Date: 20-June-2022	**Hui Chung Chen** **Director** Place: Taipei Date: 20-June-2022	**Clement Joshua Foulger** **Managing Director** Place: Chennai Date: 20-June-2022	**Ramachandran Kunnath** **Chief Financial Officer and Company Secretary** Place: Chennai Date: 20-June-2022

OTHER REGULATORY AND STATUTORY DISCLOSURES

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations as described below:

- Our Company has had net tangible assets of at least ₹ 30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;

- Our Company has an average operating profit of at least ₹ 150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and

- Our Company has changed its name in the last one year from "Rising Stars Mobile India Private Limited" to "Bharat FIH Private Limited" pursuant to a special resolution passed by our Shareholders at the Extraordinary General Meeting held on 14 June 2021 and the issue of a fresh certificate of incorporation by the RoC on 30 June 2021. However, there has been no change in the activity that was undertaken by our Company pursuant to change in the name of our Company.

Our Company's net tangible assets, monetary assets, operating profits and net worth, derived from the Restated Financial Information included in this Addendum as at, and for the last three Financial Years 2022, 2021 and 2020 are set forth below:

(*₹ in million, unless otherwise stated*)

Particulars	Financial Year		
	2022	2021	2020
Net tangible assets, as restated[(1)]	29,752.55	28,156.27	26,567.38
Monetary assets, as restated[(2)]	4,104.59	8,612.82	11,463.46
Monetary assets, as a percentage of net tangible assets, as restated	14%	31%	43%
Operating profit	2,165.15	1,447.06	4,396.06
Net worth, as restated[(3)]	30,315.65	28,357.35	26,738.78

Notes:

(1) Restated net tangible assets means the sum of all net assets of our Company, excluding Intangible Assets as defined under Ind AS 38 - Intangible Assets, Goodwill as defined under Ind AS 103 - Business Combinations, Right of Use Assets and Lease Liabilities as defined under Ind AS 116 - Leases and Deferred Tax Assets and Deferred Tax Liability as defined under Ind AS 12 - Income Taxes

(2) Restated monetary assets excludes balances with banks as margin money relating to borrowings / direct assignment which are not readily available for utilisation by our Company

(3) Net-worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as on 31 March 2022, 31 March 2021 and 31 March 2020.

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF BHARAT FIH LIMITED

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Yu Yang Chih
Chairman and Non-Executive Director

Date: 21 June 2022

Place: Taiwan

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF BHARAT FIH LIMITED

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Hui-Chung Chen
Non-Executive Director

Date: 21 June 2022

Place: Taiwan

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF BHARAT FIH LIMITED

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Kam Wah Danny Tam
Non-Executive Director

Date: 21 June 2022

Place: Taiwan

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF BHARAT FIH LIMITED

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Meng Hsiao-Yi
Non-Executive Director

Date: 21 June 2022

Place: Taiwan

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF BHARAT FIH LIMITED

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Clement Joshua Foulger
Managing Director

Date: 21 June 2022

Place: Chennai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF BHARAT FIH LIMITED

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Ramaraj Rajasekar
Independent Director

Date: 21 June 2022

Place: Chennai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF BHARAT FIH LIMITED

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Venkataramani Sumantran
Independent Director

Date: 21 June 2022

Place: Chennai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF BHARAT FIH LIMITED

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Dipali Hemant Sheth
Independent Director

Date: 21 June 2022

Place: Mumbai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF BHARAT FIH LIMITED

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Ananth Narayan Gopalakrishnan
Independent Director

Date: 21 June 2022

Place: Mumbai

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF BHARAT FIH LIMITED

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Aruna Sundararajan
Independent Director

Date: 21 June 2022

Place: Kochi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Addendum to the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Addendum to the Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF BHARAT FIH LIMITED

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Ramachandran Kunnath

Date: 21 June 2022

Place: Chennai

DECLARATION BY WONDERFUL STARS PTE. LTD. AS THE PROMOTER SELLING SHAREHOLDER

Wonderful Stars Pte. Ltd. hereby confirms that all statements and undertakings made or confirmed by it in this Addendum to the Draft Red Herring Prospectus about or in relation to itself as the Promoter Selling Shareholder and the Equity Shares offered by it in the Offer for Sale, are true and correct. Wonderful Stars Pte. Ltd. assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other person(s) in this Addendum to the Draft Red Herring Prospectus.

For and on behalf of WONDERFUL STARS PTE. LTD.

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Name: Huang, Yu-Lin
Designation: Director

Date: 21 June 2022

Place: Taipei