



BHEEMA FINE CHEMICALS PRIVATE LIMITED

1st ANNUAL
REPORT | 2020 -21



BASIS OF REPORTING

We have based our Annual Report on the principles for transparency and disclosures which we intend to communicate. The aim is to enrich our reporting by providing information on our value creation process using the inter-linkages of multiple capitals.

This report is prepared in accordance with the Companies Act, 2013 (and the Rules made thereunder), Indian Accounting Standards and the Secretarial Standards.

Forward-Looking Statements

In this Annual Report, we have disclosed forward-looking information to enable investors comprehend our prospects and take informed investment decisions. We cannot guarantee that these statements would be fully realized, although we believe we have been prudent in our assumptions.



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CORPORATE INFORMATION

Registered Office:

#8-2-269/S/3/A,
Plot No.3, Sagar Society
Road No.2, Banjara Hills
Hyderabad- 500034
Ph: +91-040 42221212/ 2323

CIN: U24299TG2020PTC142050

Board of Directors

Sri A Arvind Kumar	-	Director
Sri Ketan Chamanlal Budh	-	Director
Sri S Chandra Sekhar	-	Director, wef November 17, 2020

Statutory Auditors

M/s. S Singhvi & Co.,
Chartered Accountants
405, Vamsi Paradise,
7-1-69, Balkampet, Street No. 1,
Ameerpet, Hyderabad - 500 016.
Email id: ssinghvi57@yahoo.com

Bankers

ICICI Bank Limited Jubilee Hills Branch, Hyderabad, Telangana	Axis Bank Limited Greenlands, Begumpet Road Hyderabad, Telangana
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NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the First (1st) Annual General Meeting (AGM) of the members of **Bheema Fine Chemicals Private Limited** ("the Company") will be held on Tuesday, August 3, 2021 at 11.00 a.m. (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following business(es):

ORDINARY BUSINESS

1. To receive, consider and adopt:

The Audited Financial Statements of the Company for the Financial Year ended March 31, 2021, the Reports of the Board of Directors and Auditors' thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statement of the Company for the Financial Year ended March 31, 2021, and the Reports of the Board of Directors and Auditors thereon, as circulated to the members be and are hereby considered and adopted."

2. Appointment of Statutory Auditors and to fix their remuneration.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s S Singhvi & Co., Chartered Accountants, (Firm Regi. No.: 003872S) Hyderabad, being eligible and willing to act as Auditors, be and are hereby appointed as the Statutory Auditors of the Company to hold office for a period of five years, from the conclusion of this Annual General Meeting until the conclusion of the 6th Annual General Meeting of the Company to be held for the

financial year 2025-26, at such remuneration plus applicable taxes and out of pocket expenses, as may be determined and recommended by the Board of Directors in consultation with the Statutory Auditors."

SPECIAL BUSINESS

3. To Appoint Sri S Chandra Sekhar (DIN: 00159543), as a Director of the Company:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to Section 161 of the Companies Act, 2013, read with rules made thereon as amended from time to time, Sri S Chandra Sekhar (DIN: 00159543) who was appointed as an Additional Director with effect from 17th November, 2020, on the Board of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company as per the provisions of the Articles of Association of the Company, Section 149, 152 and other applicable provisions of the Companies Act, 2013 (including any Statutory Modification(s) or re-enactment thereof for the time being in force) and rules made thereof as amended from time to time."

"RESOLVED FURTHER THAT the Board of Directors, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution as per the Companies Act, 2013 & the rules made thereof as amended from time to time"

For and on behalf of the Board of Directors
Bheema Fine Chemicals Private Limited

A Arvind Kumar
Director
(DIN: 03097192)

Registered Office

Plot No. 3, Sagar Society, Road No.2
Banjara Hills, Hyderabad - 500034
CIN: U24299TG2020PTC142050
Ph: +91-040 42221212/ 2323

Date: April 27, 2021
Place: Hyderabad

NOTES:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') issued General Circular Nos.14/2020,17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively and by General Circular No.02/2021 dated 13th January 2021, allowed companies whose AGMs were due to be held in the year 2020 or become due in the year 2021, to conduct their AGMs through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 ("MCA Circulars"). In compliance with these Circulars and provisions of the Act, the 1st AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 1st AGM shall be the Registered Office of the Company.
2. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 1st AGM, and hence the Attendance Slip and Proxy Form are not annexed hereto.
3. Since, the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
4. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under and in compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the 1st AGM along with the Annual Report 2020-21 is being sent only through electronic mode to the Members in their registered email addresses.
5. Members may note that the Notice and Annual Report 2020-21 will also be available on the holding Company's website www.bhagirad.com.
6. The Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
7. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least one week before the date of the meeting.
8. Sri S Chandra Sekhar (DIN: 00159543) was appointed as an Additional Director of the Company with effect from November 17, 2020, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company, holds the office up to the date of the ensuing Annual General Meeting of the Company. Now, according to provisions of the Companies Act, 2013, approval of Members is required for the purpose of regularizing his appointment as Director of the Company in this Annual General Meeting. None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution. The Board recommends an Ordinary Resolution set out in the Notice for approval by the Members.
9. M/s. S.Singhvi & Co., Chartered Accountants (Firm Registration No.: 003872S), was appointed as the First Auditors of the Company to hold office till the conclusion of the ensuing Annual General Meeting and are eligible for appointment.

For and on behalf of the Board of Directors
Bheema Fine Chemicals Private Limited

Registered Office

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CIN: U24299TG2020PTC142050
Ph: +91-040 42221212/ 2323

Date: April 27, 2021
Place: Hyderabad

A Arvind Kumar
Director
(DIN: 03097192)

A brief resume of Sri S Chandra Sekhar (DIN: 00159543) is provided below:

1.	Name of the Director	Sri S Chandra Sekhar
	Director Identification Number	00159543
	Date of Birth	December 19, 1977
	Date of First Appointment	November 17, 2020
	Qualifications	Chemical Engineer holding Master's Degree in Chemical Engineering from the University of Illinois, Chicago
	Experience	Sri S Chandra Sekhar has over ten years of experience in the synthesis of specialty chemicals and design of chemical plants. He has acquired expertise in the areas of Governance and Compliance and Information Technology.
	Remuneration Proposed to be paid	As per the terms of appointment as approved by the Board of Directors of the Company
	List of Directorships held in other	1. Bhagiradha Chemicals and Industries Limited 2. JC Biotech Private Limited 3. Advanced Transformation Facility Private Limited
	Chairman/Member of the Committees of the Boards of other companies in which he is Director	<u>Bhagiradha Chemicals and Industries Limited:</u> Audit Committee - Member Corporate Social Responsibility Committee-Member
	Shareholding in the Company	Nil
Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any Director / Key Managerial Personnel of the Company.	

For and on behalf of the Board of Directors
Bheema Fine Chemicals Private Limited

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A Arvind Kumar
Director
(DIN: 03097192)

Date: April 27, 2021
Place: Hyderabad

DIRECTORS REPORT:

Dear Members,

Your Directors have pleasure in presenting the First (1st) Annual Report of the Company together with the Audited Accounts for the financial year ended March 31, 2021.

Financial Results

During the year under review, performance of your company was as under:

(₹ in Lacs)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Turnover	-	-
Profit/(Loss) before taxation	(14.54)	-
Less: Tax Expense	-	-
Profit/(Loss) after tax	(14.54)	-

State of Company's affairs and future outlook

Your Company was incorporated on July 22, 2020, with its registered office at Plot no- 3, Sagar Society, Road No 2, Banjara Hills, Hyderabad-500 034, with an object to carry on the business of manufacturing and marketing of various agrochemicals and intermediates. The Company is in the process of obtaining clearances from the Ministry of Environment and Forests, Government of India. The commercial operations are yet to commence.

Share Capital

The paid-up equity share capital on incorporation was ₹ 1,00,000/- (Rupees one lakh only), and during the year under review further equity shares were issued on rights issue basis. The share capital as on March 31, 2021, was ₹ 8,01,00,000/- (Rupees eight crore one lakh only) divided into 80,10,000 (Eighty Lakh Ten Thousand) equity shares of ₹ 10/- each.

The company was incorporated with an authorized share capital of ₹ 15,00,000 (Rupees Fifteen lakh only) divided into 1,50,000 equity shares of ₹ 10 each, and during the year, it was further increased to ₹ 10,00,00,000 (Rupees ten crores only) divided into 1,00,00,000 equity shares of ₹ 10/- each.

COVID-19

The COVID-19 pandemic has emerged as a global challenge, creating disruption across the world. The economic impact of the pandemic in India has been largely disruptive, which has resulted in fiscal strains, weakening of demand conditions and supply chain disruptions in the Indian agro-chemical industry. The Company adhered to all the government advisories and guidelines thoroughly and in good faith.

Compliance with the provisions of Secretarial Standard-1 and Secretarial Standard-2

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, have been duly complied by the Company.

Transfer to General Reserves

Your Directors do not propose to transfer any amount to General Reserves for the financial year ended March 31, 2021.

Change in Nature of Business

There has been no change in the nature of business of the Company.

Particulars of Contract or Arrangements made with Related Parties

The particulars of contracts or arrangements with related parties as per the Section 188 of the Companies Act, 2013 entered by the Company during the financial year ended March 31, 2021 in prescribed Form AOC-2, as required to be provided under section 134(3)(h) of the Companies Act, 2013, annexed to this Board's Report.

Further there were no materially significant related party transactions held during the period under review with Promoters, Directors, Key Managerial Personnel and their relatives, which may have potential conflict with interest of the company at large. The details of the related party transactions during the year are part of the notes on Accounts forming part of the Annual Report.

Extract of Annual Return

Pursuant to section 92(3), 134(3)(a) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Annual Return for FY 2020-21 is uploaded on the Holding Company's website www.bhagirad.com

Dividend

During the year under review, the Company has not declared any Interim/final Dividend.

Board Meetings

During the Financial Year 2020-21, Six (6) Meetings of the Board of Directors of the Company were held on August 18, 2020; October 23, 2020; November 17, 2020; January 2, 2021; February 25, 2021 and March 17, 2021. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and Secretarial Standard-1.

Directors

The First Directors of the Company are mentioned below:

1. Sri A Arvind Kumar (DIN: 03097192)
2. Sri Ketan Chamanlal Budh (DIN: 01740025)

Appointment/Re-appointment/Resignation

In accordance with Articles of Association of the Company and provisions of Section 161 and other applicable provisions, if any, of the Companies Act, 2013, Sri Chandra Sekhar Singavarapu (DIN: 00159543) was appointed as an Additional Director of the Company with effect from November 17, 2020. None of the directors of the company are disqualified under the provisions of the Companies Act, 2013 ('Act').

Subsidiary/Associate/Joint Venture Companies:

There are no companies which have become or ceased to be subsidiaries or joint ventures or associate companies during the financial year 2020-21. However, the Company is a wholly-owned subsidiary of Bhagiradha Chemicals and Industries Limited (CIN: L24219TG1993PLC015963).

Details of Significant and Material Orders passed by the Regulators or Courts or Tribunals:

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Statutory Auditors

M/s. S.Singhvi & Co., Chartered Accountants (Firm Registration No.: 003872S), was appointed as the Statutory Auditors of the Company to hold office till the conclusion of the ensuing Annual General Meeting and are eligible for appointment.

As per Section 139 of the Companies Act, 2013, M/s S Singhvi & Co., Chartered Accountants, (Firm Regi. No.: 003872S) Hyderabad, will be appointed as the Statutory Auditors of the Company to hold office for a period of five years, from the conclusion of this Annual General Meeting until the conclusion of the 6th Annual General Meeting of the Company to be held in the financial year 2025-26, and the Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed under Section 141 of the Companies Act, 2013, and rules thereof.

The Auditors' Report (UDIN:21023125AAAAAW9011) dated 27th April 2021, obtained from M/s Singhvi & Co., Chartered Accountants (Firm Regi. No.: 003872S), is unmodified and it does not contain any qualification, reservation or adverse remark or disclaimer.

Particulars of Loan, Guarantees and Investments under Section 186

The Company has duly complied with the provision of Section 186 of the Companies Act, 2013.

Material changes & commitments affecting the financial position of the company between the end of financial year and the date of report:

There are no material changes since 31st March 2021, till the date of this report.

Particulars of Employees:

None of the employees have received the remuneration of ₹1.02 Crore in whole year or ₹8.50 Lakhs per month employed part of the year as per the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Conservation of Energy/Technology Absorption, Foreign Exchange Earnings and Outgo:

During the year under review, the Company has not received any foreign exchange in the form of Indian rupees.

Particulars of Conservation of Energy/Technology absorption: NIL.**Registered Office**

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Banjara Hills, Hyderabad - 500034
CIN: U24299TG2020PTC142050
Ph: +91-040 42221212/ 2323

Date: April 27, 2021
Place: Hyderabad

Policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a Policy on Sexual Harassment of Women at Workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy is gender neutral.

Public Deposits

During the year under review the Company has not accepted any fixed deposits from the public.

Cash Flow Statement

In conformity with the Companies Act, 2013 and Accounting Standard - 3 under Section 129 of the Companies Act, 2013, the Cash Flow Statement for the year ended on March 31, 2021, is attached as a part of the Financial Statement of the Company.

Directors Responsibility Statement

In conformity with the provisions under Section 134 (5) which is introduced by the Companies Act, 2013 your directors confirm that:-

- (i) In the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards have been followed and there are no material departures from the same;
- (ii) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021, and of the profit & loss of the Company for the year ended on that date;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a 'going concern' basis; and
- (v) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Acknowledgment

The Board take this opportunity to thank all stakeholders and Statutory Authorities for their continued support during the year. The Board also wishes to place on record its sincere appreciation of the effort/contribution made by its employees.

For and on behalf of the Board of Directors
Bheema Fine Chemicals Private Limited

A Arvind Kumar
Director
(DIN: 03097192)

Annexure

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

- (i) Details of contracts or arrangements or transactions not at arm's length: Nil
- (ii) Details of contracts or arrangement or transactions at arm's length: Nil

S.No	Name of the Related Party	Nature of Relationship	Nature of contracts/arrangements/transactions	Value of contracts/arrangements/transactions during the Year (in lakhs)	Duration of contracts/arrangements/transactions
1.	Bhagiradha Chemicals & Industries Limited	Parent Company	Loans taken during the year	157.73	During the financial year 2020-21
			Repayment of loan received	157.73	During the financial year 2020-21
			Investment received	801.00	One time transaction

For and on behalf of the Board of Directors
Bheema Fine Chemicals Private Limited

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A Arvind Kumar
 Director
 (DIN: 03097192)

Ketan Chamanlal Budh
 Director
 (DIN: 01740025)

Date: April 27, 2021
 Place: Hyderabad

INDEPENDENT AUDITOR'S REPORT:

To
The Members of
Bheema Fine Chemicals Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Bheema Fine Chemicals Private Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

Management's Responsibility for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

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

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

iii. There has been no delay in transferring amounts, required to be transferred on account of unpaid dividend, to the Investor Education and Protection Fund by the Company as at 31st March, 2021.

For S Singhvi & Co.

Chartered Accountants
Firm Regi. No. 003872S

Shailendra Singhvi

Proprietor
Membership No. 023125/ICAI
UDIN No: 21023125AAAAAW9011

Place: Hyderabad
Date: 27.04.2021

ANNEXURE "A" TO THE AUDITOR'S REPORT

Referred to in paragraph 1 under the head "Report on other legal & regulatory requirements" of our report of even date.

- i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold/leasehold, are held in the name of the Company as at the balance sheet date.
- ii). The Company has not started its commercial operations and is not dealing with the inventory. Hence the clause related to physical verification of inventory is not applicable.
- iii). The company has not granted any loans secured or unsecured, to companies, firms, Limited Liability Partnership or other parties who are covered in the register maintained under section 189 of Companies Act, 2013, accordingly Clause (iii a), (iii b) and (iii c) of Paragraph 3 of the Order are not applicable.
- iv) According to the information and explanations given to us, the Company has given its leasehold land as security against the loan (WCDL ₹500 Lakhs) taken by its holding company in compliance of Section 186 of the Companies Act, 2013. However the company is in process of creating the charge in favour of the bank. Other than above company has not granted any loans and guarantees and made investments, as per section 185 & 186 of the Companies Act, 2013
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and as per the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) The Company is not required to maintain cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii) a. According to the information & explanations given to us, none of the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Goods & Service Tax, Cess and any other material Statutory Dues were outstanding as at last day of the financial year concerned for a period of more than six months.
 - b. According to the information & explanations given to us, there is no dues in respect of disputed amount to be deposited in respect of Custom Duty, Goods and Service Tax, Cess and other material Statutory dues as on 31st March, 2021.
- viii) According to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to the financial institutions, bank, government or dues to debenture holders.
- ix) In our opinion, and according to the information and explanations given to us, the company has not raised money by way of term loans or initial public offer or further public offer (including debt instruments) and hence reporting under clause (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no fraud by the Company or any fraud on the company by its officers/employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us, the Company has not paid nor provided any managerial remuneration during the year as per the provisions of Section 197 read with Schedule V to the Companies Act.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, Clause (xii) of Paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanations given to us, all transactions with the related party are in compliance with section 177 & 188 of Companies Act, 2013 and the same has been disclosed in financial statements as required by the Accounting Standards.
- xiv) According to the information and explanations given to us, the company has made preferential allotment of shares on private placement basis during the year under review and the company has complied with the requirement of section 42 of the Companies Act, 2013 and the amount raised has been used for the purpose for which the fund were raised.
- xv) According to the information and explanations given to us, the company has not entered into Non-Cash Transactions with directors or persons connected with him during the year.
- xvi) According to the information and explanations given to us, company is not required to be registered under section 45-IA of Reserve Bank of India.

For S Singhvi & Co.

Chartered Accountants
Firm Regi. No. 003872S

Shailendra Singhvi

Proprietor
Membership No.023125/ICAI
UDIN No: 21023125AAAAW9011

Place: Hyderabad
Date: 27.04.2021

Report on Internal Financial Controls Over Financial Reporting

Annexure "B" to the Independent Auditor's Report of even date on the Financial Statements of Bheema Fine Chemicals Private Limited

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

We have audited the internal financial controls over financial reporting of Bheema Fine Chemicals Private Limited (the "Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing

the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For S Singhvi & Co.
Chartered Accountants
Firm Regi. No. 003872S

Shailendra Singhvi
Proprietor
Membership No.023125/ICAI
UDIN No: 21023125AAAAAW9011

Place: Hyderabad
Date: 27.04.2021

BALANCE SHEET AS AT 31st MARCH 2021

(in ₹)

PARTICULARS	NOTE NO.	AS AT 31-03-2021	AS AT 31-03-2020
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	3	74,062,399	-
Right of use assets	4	2,246,492	-
Capital Work in Progress	5	3,711,113	-
Total Non-Current Assets		80,020,004	-
Current Assets			
Financial Assets			
Cash and cash equivalents	6	320,586	-
Deposits & Others	7	552,016	-
Other Current Assets	8	94,693	-
Total Current Assets		967,295	-
Total Assets		80,987,299	-
EQUITY AND LIABILITIES			
EQUITY			
Shareholder's Funds			
Share Capital	9	80,100,000	-
Reserves and Surplus	10	(1,453,947)	-
Total Equity		78,646,053	-
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Lease Liabilities	11	2,155,640	-
Total Non-Current Liabilities		2,155,640	-
Current Liabilities			
Trade payables	12	-	-
Lease Liabilities	13	135,600	-
Other Financial Liabilities	14	46,256	-
Other Current Liabilities	15	3,750	-
Total Current Liabilities		185,606	-
Total Liabilities		2,341,246	-
TOTAL EQUITY AND LIABILITIES		80,987,299	-
Summary of Significant Accounting Policies	1-2		
The accompanying notes are an integral part of the standalone financial statements	3-35		

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR **S SINGHVI & CO**
CHARTERED ACCOUNTANTS
FIRM REGI. NO.: 003872S

SHAILENDRA SINGHVI
PROPRIETOR
MEMBERSHIP NO. :023125/ICAI

PLACE : HYDERABAD
DATE: 27.04.2021

For and on behalf of the Board of Directors
Bheema Fine Chemicals Private Limited

S Chandra Sekhar
Director
DIN NO. 00159543

A Arvind Kumar
Director
DIN NO. 03097192

Ketan Chamanlal Budh
Director
DIN NO. 01740025

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(in ₹)

PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
I. Income:			
Revenue from operations			
Sale of products	16	-	-
Total Revenue		-	-
II. Expenses:			
Employee Benefit Expenses	17	54,000	-
Financial costs	18	63,796	-
Depreciation and amortization expense	19	216,099	-
Other expenses	20	1,120,052	-
Total Expenses		1,453,947	-
III. Profit/(Loss) Before Exceptional Items and Tax (I-II)		(1,453,947)	-
Exceptional Items		-	-
IV. Profit/(Loss) After Exceptional Items and Before Tax		(1,453,947)	-
V. Tax expense:			
Current tax		-	-
MAT Credit Entitlement		-	-
Deferred tax charge/ (credit)		-	-
Earlier years Tax		-	-
VI. Profit/(Loss) for the year		(1,453,947)	-
Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement on employees defined benefit plan		-	-
Deferred tax credit on above		-	-
Total other Comprehensive Income, net of tax		-	-
Total Comprehensive Income, net of tax		(1,453,947)	-
Earning per equity share of Rs. 10/- each fully paid:	23		
Earning per equity share:			
Basic EPS		(4.63)	-
Diluted EPS		(4.63)	-
Summary of Significant Accounting Policies	1-2		
The accompanying notes are an integral part of the standalone financial statements	3-35		

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR **S SINGHVI & CO**
CHARTERED ACCOUNTANTS
FIRM REGI. NO.: 003872S

SHAILENDRA SINGHVI
PROPRIETOR
MEMBERSHIP NO. :023125/ICAI

PLACE : HYDERABAD
DATE: 27.04.2021

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Bheema Fine Chemicals Private Limited

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DIN NO. 00159543

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Ketan Chamanlal Budh
Director
DIN NO. 01740025

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit Before Tax	(1,453,947)	-
Adjustments for :		
Depreciation	216,099	-
Loss on sale of fixed assets	-	-
Interest Paid	-	-
Interest income & Notional Income	-	-
Provision for bad & Doubtful Debts	-	-
Exchange Differences on translation of assets & liabilities	-	-
Gratuity & Compensated absence	-	-
Operating profit before working capital changes	(1,237,848)	-
Adjustments for movement in working capital :		
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Trade Receivable	-	-
(Increase)/Decrease in Other Financial & Non Financial Assets	(646,709)	-
Increase/(Decrease) in Trade Payable	-	-
Increase/(Decrease) in Other Financial, non financial liabilities & provisions	2,205,646	-
Cash generated from operations	321,089	-
Direct taxes paid (Net of refund)	-	-
Net cash flow from operating activities (A)	321,089	-
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipments, capital work in progress & capital advances	(80,236,103)	-
Proceeds from sale of property, plant & equipments	-	-
Interest received	-	-
Net cash flow used in investing activities (B)	(80,236,103)	-
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of equity shares	80,100,000	-
Proceeds/(Repayment) of long term borrowings (Net)	-	-
Proceeds/(Repayment) of short term borrowings (Net)	-	-
Payment of lease liabilities	-	-
Dividend Paid	-	-
Interest paid	135,600	-
Net cash used in financing activities (C)	80,235,600	-
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	320,586	-
Cash and cash equivalents at the beginning of the year	-	-
cash and cash equivalents at end of the year	320,586	-
Cash and cash equivalents includes		
Cash on hand	9,188	-
Balances with banks in current accounts	311,398	-

The above cash flow statement has been prepared using the 'Indirect Method' as set out in the IND AS - 7 on Cash Flow Statement as notified by the Central Government under the Companies Act, 2013

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR **S SINGHVI & CO**
CHARTERED ACCOUNTANTS
FIRM REGI. NO.: 003872S

SHAIENDRA SINGHVI
PROPRIETOR
MEMBERSHIP NO. :023125/ICAI

PLACE : HYDERABAD
DATE: 27.04.2021

For and on behalf of the Board of Directors
Bheema Fine Chemicals Private Limited

S Chandra Sekhar
Director
DIN NO. 00159543

A Arvind Kumar
Director
DIN NO. 03097192

Ketan Chamanlal Budh
Director
DIN NO. 01740025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2021
a) Equity Share Capital

Particulars	As At 31.03.2021		As At 31.03.2020	
	Number of shares	Amount In ₹	Number of shares	Amount In ₹.
As at July 22, 2020	-	-	-	-
Add: Issued during the year	8,010,000	80,100,000	-	-
As at March 31, 2021	8,010,000	80,100,000	-	-

b) Other Equity

(in ₹)

Particulars	Security Premium Reserve	General Reserve	Retained Earnings	Total
As at July 22, 2020	-	-	-	-
Add: Profit for the year	-	-	(1,453,947)	(1,453,947)
Add: Issued during the year	-	-	-	-
Add: Other Comprehensive Income for the year : Remeasurement of employees defined benefit plans	-	-	-	-
Deferred tax on above	-	-	-	-
As at March 31, 2021	-	-	(1,453,947)	(1,453,947)

 For and on behalf of the Board of Directors
Bheema Fine Chemicals Private Limited

 AS PER OUR REPORT OF EVEN DATE ATTACHED
 FOR **S SINGHVI & CO**
 CHARTERED ACCOUNTANTS
 FIRM REGI. NO.: 003872S

S Chandra Sekhar
 Director
 DIN NO. 00159543

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SHAIENDRA SINGHVI
 PROPRIETOR
 MEMBERSHIP NO. :023125/ICAI

Ketan Chamanlal Budh
 Director
 DIN NO. 01740025

 PLACE : HYDERABAD
 DATE: 27.04.2021

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1. Overview of the Company

Bheema Fine Chemicals Private Limited was incorporated on 22nd July, 2020 in Hyderabad (Telangana). The Company is a wholly owned subsidiary company of Bhagiradha Chemicals & Industries Limited and has its registered office at 8-2-269/3/A, Plot No 3, Sagar Society, Road No 2, Banjara Hills, Hyderabad - 500 034 (TS). It is proposed to manufacture Agrochemicals & their intermediates in the Industrial leasehold land of 33.90 acres acquired from Karnataka Industrial Area Development Board, Kadachur Industrial Area, Yadgir Dist., Karnataka.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation & compliance with IND AS

"The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act. The financial statements of the company are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS.

- Certain financial assets and liabilities are measured at fair value (Refer accounting policy on financial instruments)
- Defined benefit and other long term Employee Benefits.
- Current versus non current classification: All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

2.2 Uses of Estimates & judgments

The preparation of Financial Statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements and reviewed on an ongoing basis. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Measurement of Fair Values

The accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1-Quoted price (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted price included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3-Inputs for the asset or liability that is not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability falls into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.4 Property Plant and Equipment and Depreciation

a) Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

- b) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.
- c) Capital work-in-progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.
- d) Expenditure during construction period:
Expenditure (direct & indirect) incurred during the construction period which are attributable to acquisition / construction of fixed assets, will be capitalized with the respective Plant, Property & Equipment at the time of commissioning of such assets.
- e) The estimated useful life of assets are as follows:
- | | |
|--|---------------|
| Building | 30 - 60 Years |
| Plant and equipment | 20 - 25 Years |
| Plant and equipment - R & D | 10 Years |
| Furniture and fixtures | 10 Years |
| Vehicles | 8 Years |
| Office equipment | 5 Years |
| Computer and data processing equipment | 3 Years |
- f) Leasehold improvements and leasehold land are amortized over the lease term except for lease hold land acquired under perpetual lease.
- g) Depreciation on tangible fixed assets (property, plant and equipment) has been provided on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use. Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.
- h) Items of fixed assets that are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately under other current assets in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.
- i) An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

2.5 Intangible Assets

- a) Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses, if any.
- b) Subsequent expenditure related to an item of intangible assets is added to its book value, only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- c) In respect of Intangible fixed assets amortised on straight line basis - Technical know how @ 5.28 % p.a., computer software over a period of useful life of 3 years and product development expenses are to be amortised over a period of their useful life of 4 years.

- d) An intangible asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal of fixed assets carried at cost are recognised in the Statement of Profit and Loss.

2.6 Impairment of Property, Plant and Equipment

The carrying values of assets at each balance sheet date are reviewed for impairment, if any indication of impairment exists.

2.7 Borrowing Costs

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue and recognized as an expense in the Statement of Profit and Loss.

2.8 Research and Development Cost

Research and development costs incurred for development of products are expensed as incurred, except for development costs that relate to the design and testing of new or improved materials, products or processes, which are recognized as an intangible asset to the extent that it is technically feasible to complete the development of such asset and future economic benefits are expected to be generated from such assets. Capital expenditure on research and development is included as part of assets and depreciated on the same basis as other assets.

2.9 Non Current Assets held for Sale

Non-current assets classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss. Once classified as held-for-sale they are no longer amortised or depreciated.

2.10 Inventories

- a) Inventories are valued at lower of cost or net realizable value on an item-by-item basis.
- b) Cost of finished goods, traded goods and work in progress is determined by considering materials, labour and other related costs incurred in bringing the inventories to their present condition and location. Cost of raw materials, packing materials and consumables is determined on weighted average basis.
- c) Cost of Finished goods and work in progress : Cost includes cost of direct materials, labour and other related costs incurred in bringing the inventories to their present condition & location.
- d) Goods in transit are valued at cost which represents the cost incurred up to the stage at which the goods are in transit.

2.11 Cash and Cash Equivalents

Cash comprises of cash at bank and on hand and cash equivalents comprise of short-term bank deposits with an original maturity of three months or less.

2.12 Cash Flow Statement

Cash flows are reported using indirect method as set out in IND AS 7, "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non cash nature and deferrals of accruals of past or future cash receipts or payments. The cash flows from operating, Investing and financing activities of the Company are segregated based on the available information.

2.13 Leases

"A lease is classified at the inception date as finance lease or an operating lease. Leases under which the Company assumes substantially, all the risk and rewards of ownership are classified as finance leases. When acquired, such assets are capitalised at fair value or present value of the minimum lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of Profit and loss. Other leases are treated as operating leases, with payments recognised as expenses in the statement of profit and loss on a straight line basis over the lease term.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment/primary period of lease. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Generally, the Company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments;"

The lease liability is measured at amortised cost using the effective interest method.

The Company has used number of practical expedients when applying Ind AS 116: - Short term leases, leases of low-value assets and single discount rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

2.14 Revenue Recognition

- a) Sale of goods is recognized as revenue when the significant risks and rewards of ownership of the goods have been passed on to the buyer. Revenues are recognized when collect ability of the resulting receivable is reasonably assured. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
- b) Income from services rendered is recognized based on agreements with the customers using the proportionate completion method, when services are performed and no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering of service.
- c) Export incentives are recognised when the right to receive credit as per the terms of incentives is established in respect of exports made.
- d) Interest income is recognized on a time proportionate basis, taking into account the amount outstanding and the rates applicable. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate method to the net carrying amount of the financial assets.

2.15 Income Tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and Minimum Alternate Tax (MAT) credit entitlement.

a) Current Tax

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate

b) Deferred Tax

"Deferred tax is recognised in respect of temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity.

Deferred tax assets and liabilities are offset only if: a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity"

c) Minimum Alternate Tax

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the statement of profit & loss and is considered as (MAT credit entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period. MAT credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

2.16 Employees Benefits

Employee benefits payable wholly within twelve months of receiving employees services are classified as short-term employee benefits. The short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

I. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company contributes to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the employee renders services. Superannuation benefits, a defined contribution plan, has been funded with Life Insurance Corporation of India (LIC) and the contribution is charged to Statement of profit and loss, when the contribution to the Fund is due.

II. Defined benefit plans

The Company provides for gratuity benefit and compensated absences, which are defined benefit plans, covering all its eligible employees. Liability towards gratuity benefits and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations are carried out at the balance sheet date. Remeasurements of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. The gratuity benefit and compensated absences scheme is funded with the Life Insurance Corporation of India (LIC). The short term provision for compensated absences has been calculated on undiscounted basis, based on the balance of leave available over and above the maximum accumulation allowed as per the company's policy.

2.17 Foreign Currency Transactions

- a) Initial recognition- Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount, the exchange rate between the functional currency and the foreign currency at the date of the transaction.
- b) Subsequent measurement- Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non monetary items that are measured based on historical cost in a foreign currency are not translated.

2.18 Provisions and Contingencies

- a) A provision is recognised, if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.
- b) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

2.19 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

2.20 Earnings per Shares

Basic EPS is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted EPS, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.21 Operating Cycles

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products/ activities of the Company, the management has determined its operating

cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.22 Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Company's board of directors.

2.23 Financial Instruments

a) Financial Assets

i) Recognition and initial measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value through profit and loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss.

ii) Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four categories:

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial assets at fair value through profit (FVTPL)

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit and loss.

Financial instruments measured at fair value through other comprehensive income (FVTOCI)

These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the statement of profit and loss.

iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

iv) Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

b) Financial Liabilities

i) Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial liability is initially measured at fair value, in case of financial liability which is recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the issue of a financial liability.

ii) Subsequent measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL, if it is classified as held-for-trading, or as a derivative or if designated as such on initial recognition. Financial liabilities 'at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement 'of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. 'Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss 'on derecognition is also recognised in the statement of profit and loss.

iii) Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability is extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

iv) Setting off financial instruments

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

c) Derivative Financial Instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its interest rate risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting period. Any changes therein are generally recognised in the profit and loss account.

Notes Forming Part of the Financial Statement for the year ended 31.03.2021
3 PROPERTY, PLANT & EQUIPMENT

(in ₹)

Particulars	Leasehold land	Total Property, plant and equipment
Gross carrying value		
Balance as at April 01, 2020	-	-
Additions	74,272,050	74,272,050
Deductions / Adjustments	-	-
Balance as at March 31, 2021	74,272,050	74,272,050
Accumulated Depreciation		
Opening Accumulated depreciation	-	-
Depreciation charge during the year	209,651	209,651
Disposal/Adjustments	-	-
Closing Accumulated depreciation	209,651	209,651
Net Carrying amount as at 31.03.2021	74,062,399	74,062,399

4 RIGHT OF USE ASSETS

(in ₹)

Particulars	AS AT 31.03.2021
Land	
Balance as at April 01, 2020	
Additions	2,252,940
Deductions / Adjustments	-
Balance as at March 31, 2021	2,252,940
Accumulated Depreciation	
Opening Accumulated depreciation	
Depreciation charge during the year	6,448
Disposal/Adjustments	-
Closing Accumulated depreciation	6,448
Total	2,246,492

5 CAPITAL WORK IN PROGRESS (Assets under installation and subject to capitalization)

(in ₹)

Particulars	"Preoperative Expenses"	Civil Works	Total Capital Work in progress
As at April 01, 2020	-	-	-
Additions **	1,172,507	2,538,606	3,711,113
Deductions / Capitalised	-	-	-
As at March 31, 2021	1,172,507	2,538,606	3,711,113

** Preoperative Expenses (Refer Note 20)

Note No
6 CASH & CASH EQUIVALENTS

(in ₹)

PARTICULARS	AS AT 31/03/2021	AS AT 31/03/2020
Cash-in-Hand	9,188	-
Balances with Banks	311,398	-
Total	320,586	-

7 FINANCIAL ASSETS - DEPOSITS & Others

(in ₹)

PARTICULARS	AS AT 31/03/2021	AS AT 31/03/2020
Advances recoverable in Cash	552,016	-
Total	552,016	-

8 NON CURRENT ASSETS

(in ₹)

PARTICULARS	AS AT 31/03/2021	AS AT 31/03/2020
Balances with Govt Authorities	94,693	-
Total	94,693	-

9 SHARE CAPITAL

(in ₹)

PARTICULARS	AS AT 31/03/2021	AS AT 31/03/2020
AUTHORIZED CAPITAL		
1,00,00,000 Equity Shares of ₹10/- each with voting rights.	100,000,000	-
ISSUED , SUBSCRIBED & FULLY PAID UP CAPITAL		
80,10,000 Equity Shares of ₹10/- each	80,100,000	-
Total	80,100,000	-

DETAILS OF SHARES HELD BY EACH SHAREHOLDERS HOLDING MORE THAN 5% SHARES

(in ₹)

CLASS OF SHARES / NAME OF SHAREHOLDERS	NUMBER OF SHARES HELD	% OF HOLDING IN THAT CLASS OF SHARES	NUMBER OF SHARES HELD	% OF HOLDING IN THAT CLASS OF SHARES
Equity shares with voting right Bhagiradha Chemicals & Industries Limited	8,009,999	100	-	-
A Arvind Kumar	1	0	-	-

9.1 RECONCILIATION OF NUMBER OF SHARES:

(in ₹)

PARTICULARS	AS AT 31/03/2021	AS AT 31/03/2020
Number of Equity Shares at the beginning of the year	-	-
Add: Number of shares issued during the year	8,010,000	-
Number of Equity Shares at the end of the year	8,010,000	-

9.2 RIGHTS ATTACHED TO EQUITY SHARES

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note - 80,00,000 Equity Shares were allotted in Rights Issue on 17.03.2021 to the holding Company

10. RESERVES & SURPLUS

(in ₹)

PARTICULARS	AS AT 31/03/2021	AS AT 31/03/2020
Surplus -Profit & Loss Account		
Opening Balance	-	-
Add: Profit for the year	(1,453,947)	-
Closing Balance	(1,453,947)	-
Total	(1,453,947)	-

11. LEASE LIABILITY - NON CURRENT

(in ₹)

PARTICULARS	AS AT 31/03/2021	AS AT 31/03/2020
Lease Liabilities	2,155,640	-
Total	2,155,640	-

12. CURRENT LIABILITIES

(in ₹)

PARTICULARS	AS AT 31/03/2021	AS AT 31/03/2020
Trade Payables	-	-
Total	-	-

13. LEASE LIABILITY - CURRENT

(in ₹)

PARTICULARS	AS AT 31/03/2021	AS AT 31/03/2020
Lease Liabilities	135,600	-
Total	135,600	-

14. OTHER FINANCIAL LIABILITIES - CURRENT

(in ₹)

PARTICULARS	AS AT 31/03/2021	AS AT 31/03/2020
Other Payables - Expenses	46,256	-
Total	46,256	-

15. OTHER CURRENT LIABILITIES

(in ₹)

PARTICULARS	AS AT 31/03/2021	AS AT 31/03/2020
Statutory Dues to Govt Authorities	3,750	-
Total	3,750	-

16 INCOME FROM OPERATIONS

(in ₹)

PARTICULARS	FOR THE YEAR ENDED ON 31-03-2021	FOR THE YEAR ENDED ON 31-03-2020
Sale of products	-	-
Total	-	-

17 EMPLOYEE BENEFIT EXPENSES

(in ₹)

PARTICULARS	FOR THE YEAR ENDED ON 31-03-2021	FOR THE YEAR ENDED ON 31-03-2020
Salaries	54,000	-
Total	54,000	-

18 FINANCE COST

(in ₹)

PARTICULARS	FOR THE YEAR ENDED ON 31-03-2021	FOR THE YEAR ENDED ON 31-03-2020
Interest on lease liability	38,300	-
Bank Charges	3,463	-
Interest on late payment of statutory Dues	22,033	-
Total	63,796	-

19 DEPRECIATION & AMORTIZATION

(in ₹)

PARTICULARS	FOR THE YEAR ENDED ON 31-03-2021	FOR THE YEAR ENDED ON 31-03-2020
Depreciation & Amortization	209,651	-
Depreciation on right of use assets	6,448	-
Total	216,099	-

20 OTHER EXPENSES

(in ₹)

PARTICULARS	FOR THE YEAR ENDED ON 31-03-2021	FOR THE YEAR ENDED ON 31-03-2020
PRELIMINARY EXPENSES	15,431	-
ADMINISTRATION AND OTHER EXPENSES		
Site office Maintenance Expenses	8,435	-
Filing Fees	1,020,393	-
Professional Charges	12,500	-
Audit fees	50,000	-
Printing & Stationery	1,440	-
Vehicle Running Expenses	6,853	-
Website Charges	5,000	-
Total	1,120,052	-

21 PRE-OPERATIVE EXPENSES (Pending Capitalization)

(Refer accounting policies No. 2.4 (d))

(in ₹)

PARTICULARS	FOR THE YEAR ENDED ON 31-03-2021	FOR THE YEAR ENDED ON 31-03-2020
Professional Charges	1,095,000	-
Salaries & Wages	48,000	-
Travelling Expenses	29,507	-
Total	1,172,507	-

22 TAXES

(in ₹)

PARTICULARS	FOR THE YEAR ENDED ON 31-03-2021	FOR THE YEAR ENDED ON 31-03-2020
Current Tax	-	-
Adjustment for MAT	-	-
Deferred tax Charge/(Credit)	-	-
Earlier years Tax	-	-
Total Income tax Expenses recognised in statement of profit & loss	-	-

23 EARNINGS PER SHARES

23.1 Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

23.2 The Basic and diluted EPS per share is given hereunder

(in ₹)

PARTICULARS		FOR THE YEAR ENDED ON 31-03-2021	FOR THE YEAR ENDED ON 31-03-2020
Profit / (Loss) as per Profit and Loss Account	₹	(1,453,947)	-
Net Profit / (Loss) attributable to Equity Share holders	₹	(1,453,947)	-
Equity Shares outstanding at the beginning of the year Nos.	Nos	-	-
Equity Shares outstanding at the close of the year	Nos	8,010,000	-
Weighted average No of equity shares in computing basic EPS	Nos	313,753	-
Add : Share Warrants	Nos	-	-
Weighted Average number of Equity Shares in computing diluted earnings per share *	Nos	313,753	-
Face value of each equity share	₹	10	-
Earnings per share			
- Basic	₹	(4.63)	-
- Diluted	₹	(4.63)	-

24 Employee benefits:

No provision is made for retirement benefits of Employees as envisaged in Ind AS - 19 prescribed under Section 133 of the Companies Act, 2013 as there are no employees in the Company are eligible for such benefits..

25 Deferred Tax :

No Deferred Tax Asset / Liability is recognised as there are no significant timing differences between accounting income and taxable income as envisaged in Ind AS - 12 Income Taxes' prescribed under Section 133 of the Companies Act, 2013

26 COMMITMENTS & CONTINGENCIES

(in ₹)

PARTICULARS	3/31/2021	3/31/2020
Commitments:		
a. Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	-	-
b. Contingent Liabilities:	-	-
Total	-	-

27. The company has offered its leasehold land admeasuring Acres 33.90 situated at Kadechur industrial Area (KIADB), Yadgir Dt, Karnataka as security against the fund based loan of ₹ 5 Crores & non fund based loan of ₹ 2 Crores taken from ICICI Bank Limited by its holding company Bhagiradha Chemicals & Industries Limited. The Company is in process of creating of charge in favor of ICICI Bank Limited.

28. SEGMENT REPORTING :

There are no separate reportable segments as per Indian Accounting Standard (Ind AS) 108 on operating segments as the entire operations of the Company relate to one segment viz. agro chemicals.

29. PARTICULARS OF AUDITORS REMUNERATION:

(in ₹)

	3/31/2021	3/31/2020
Audit fees	50,000	-
Others	-	-
Total	50,000	-

30 RELATED PARTY DISCLOSURE:

Names of related parties and description of relationship:

(in ₹)

Name of the related party	Relationship
Holding Company	
Bhagiradha Chemicals & Industries Limited	Company is holding 100% of its total share capital.
Key Management Personnel	
S Chandra Sekhar	Director (w.e.f 17-11-2020)
A Arvind Kumar	Director (w.e.f 22-07-2020)
Ketan Chamanlal Budh	Director (w.e.f 22-07-2020)

Note : Related Party relationships have been identified by the management and relied upon by the auditors.

Transactions during the year:

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
a) Holding company		
i) Bhagiradha Chemicals & Industries Ltd.		
Loans given during the year from the enterprise	157,730,749	-
Repayment of loan received during the year by the enterprise	157,730,749	-
Received towards allotment of Shares	80,100,000	-

Closing Balances :

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
a) Holding company		
i) Bhagiradha Chemicals & Industries Ltd.		
Unsecured loans payable	-	-

31 FAIR VALUES

The carrying amounts and fair values of financial instruments by category are as follows:

(in ₹)

Particulars	Carrying value		Fair value	
	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020
Financial assets at fair value through profit & loss				
Investments	-	-	-	-
Financial Assets at amortised cost				
Loans	-	-	-	-
Deposits & Others	-	-	-	-
Trade Receivables	-	-	-	-
Cash & Cash Equivalents	3,20,586	-	-	-
Bank Balances other than above	-	-	-	-
Financial Liabilities at amortised cost				
Borrowings (Non Current & Current)	-	-	-	-
Interest accrued	-	-	-	-
Trade Payables	-	-	-	-
Capital Creditors & Others	1,35,600	-	-	-

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

32 RISK MANAGEMENT

Financial Risk Management objectives & Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activity exposes it to market risk, commodity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the Company evaluates various options and may enter into derivative financial instruments like foreign exchange forward contracts, foreign currency option contracts in order to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives, if entered into, are used exclusively for hedging purposes and not as trading or speculative instruments.

The Company's financial risk management policy is set by the Managing Director and governed by overall direction of Board of Directors of the Company. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rate, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

32.1 Credit Risk

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

a) Trade and other receivables : NIL

b) Cash and Cash Equivalents

The Company held cash and cash equivalents of ₹ 3,20,586 at March 31, 2021 (March 31, 2020: NIL). This includes the cash and cash equivalents held with the bank and the cash on hand with the Company.

32.2 Liquidity Risk

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

The Company has not obtained fund and non-fund based working capital loan from bank during the year.

b) Interest Rate Risk : Nil as the company has not borrowed any funds.

32.3 a) Market Risk

The Company has not yet commenced commercial operations hence it will not affect the overall performance of the company

b) Currency Risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Company. The Company, as per its risk management policy, uses natural hedge technique of adjusting foreign currency receivables against currency payables. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Exposure to all other foreign currencies other than US Dollar is not material.

c) Credit risk

The company deals in domestic market in the functional currency and does not have any exposure in foreign currency in operating activities and borrowings.

33 CAPITAL RISK MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

(in ₹)

Particulars	March 31, 2021	March 31, 2020
Non Current borrowings	-	-
Current borrowings	-	-
Current maturities of long term debts	-	-
Total Debts	-	-
Less: Cash & Cash equivalents	320,586	-
Other bank deposits	-	-
Adjusted net debts	(320,586)	-
Equity	80,100,000	-
Other Equity	(1,453,947)	-
Total Equity	78,646,053	-
Adjusted net debt to equity ratio	(0)	-

34 The Company was incorporated on 22.07.2020 and the financial statements are prepared first time after the incorporation, hence previous years figures are not furnished.

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR **S SINGHVI & CO**
CHARTERED ACCOUNTANTS
FIRM REGI. NO.: 003872S

SHAILENDRA SINGHVI
PROPRIETOR
MEMBERSHIP NO. :023125/ICAI

PLACE : HYDERABAD
DATE: 27.04.2021

For and on behalf of the Board of Directors
Bheema Fine Chemicals Private Limited

S Chandra Sekhar
Director
DIN NO. 00159543

A Arvind Kumar
Director
DIN NO. 03097192

Ketan Chamanlal Budh
Director
DIN NO. 01740025





BHEEMA
FINE CHEMICALS
PRIVATE LIMITED

CIN: U24299TG2020PTC142050

Registered Office: 8-2-269/S/3/A, Plot No.3, Sagar Society,
Road No.2, Banjara Hills, Hyderabad - 500034, Telangana, India

Factory: 137 to 149 & 151 to 157, Kadechur Industrial Area,
Kadechur - 585221, Yadgir District, Karnataka, India

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