



Building a sustainable future



Bhagiradha Chemicals and Industries Limited

29TH ANNUAL REPORT 2021-22

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To view the report online, log on to www.bhagirad.com/financials.html

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

As the world transforms to adapt to the new normal, we are at the forefront of change, building a portfolio of efficient yet sustainable solutions for the agricultural sector. Focused on delivering value to all our stakeholders, our agile business model helped us to tackle external volatilities to build a sustainable future for all stakeholders.

Our steadfast focus on innovation, excellent quality and customer engagement helped us grow, expand our offerings and contributions in the agrochemical sector.

Our resilience and agility, coupled with our innovative edge, helped us build a global brand equity that is synonymous with trust and quality. As we transition into the new normal, a focus on innovation and sustainability continues to drive our strategic decisions to build a greener tomorrow.





BUILDING A CREDIBLE BRAND IN THE AGROCHEMICAL SECTOR

Our robust innovations and agile developments make us one of the leading manufacturers of agrochemicals. Our strengths include a diversified product line, premier quality, an elite client base and a diverse revenue mix.

Established in 1993, we have evolved over the years to fulfil the needs of our global clients by using our expertise to meet their quality requirements. We have a robust R&D department which has been recognised by the Department of Scientific and Industrial Research (DSIR), where we continuously strive to develop

efficient and novel processes for manufacturing high-quality pesticides and their intermediates.

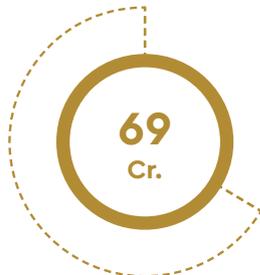
Our company has commercialized 28 products since its inception and made exports to 23 countries. The processes for making all these products were developed in-house by our R&D team.



Manufacturing Capacity



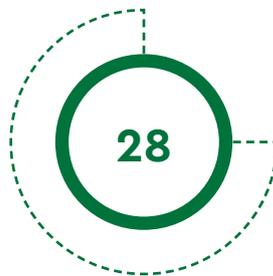
EBITDA (in ₹)



Turnover FY 2021-22 (in ₹)



Products



Profit FY 2021-22 (in ₹)



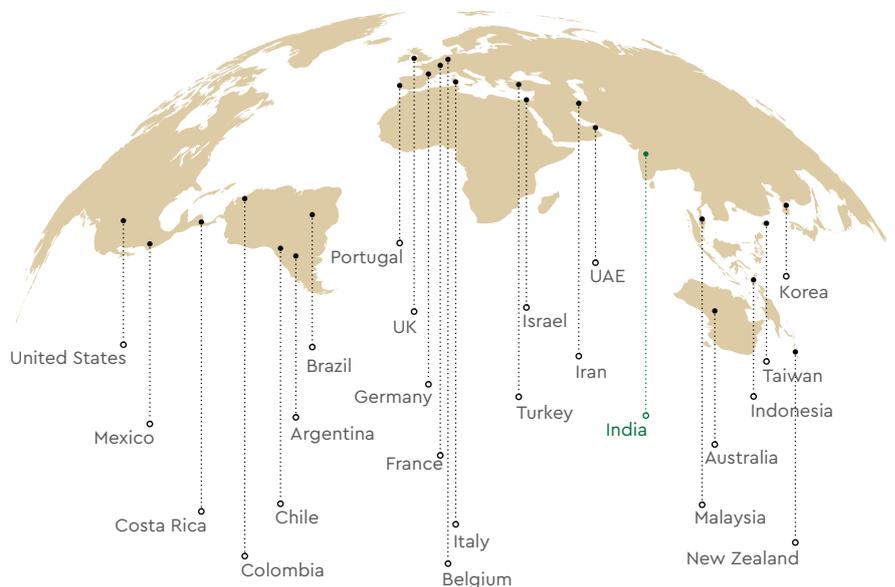
Presence



Our manufacturing plant situated at Yerajala Road, Cheruvukommupalem Village – 523272, Ongole Mandal, Prakasam District, Andhra Pradesh, India has 3 production blocks and 4 process lines for manufacturing different products. The facility has its own effluent treatment plant within the factory premises with modern equipment and adapted a zero liquid discharge system.

EMPOWERING FARMERS ACROSS GEOGRAPHIES

Our products cater to the domestic and the world markets. Countries where we export our products to are:





MACROECONOMIC TAILWINDS FOR GROWTH



Growing need for Sustainable Products

Given India's vast agro-climatic diversity and limited farmland, there is an increased need of newer products that are safe, eco-friendly and more effective.

With increasing population and evolving consumer demand and lifestyle, there is a significant need to adopt sustainable ways to maximise efficiency. On the other hand, India has low agricultural productivity because of low use of crop protection chemicals.

Therefore in a bid to increase the agricultural output the government has been providing support to increase awareness and production of eco-friendly products. The government has also introduced PLI schemes to boost the production of eco-friendly products.



An increased focus on innovation

With the growing demand for various agrochemical products, the market's major players are focusing on R&D investments, deliver products that will cater to the evolving needs of consumers, and simultaneously focusing on investing in innovations, collaborations, and expansions in order to increase their market share through mergers, acquisitions and partnerships. Innovation efforts have also become aggressive to make India an agrochemical manufacturing hub.





Government initiatives

The contribution of the agriculture sector to India's GDP has increased over the years. The Indian government, having recognised the potential of agrochemicals, identified it as one of the pillars of the economy.

The Government's Production-linked Incentive (PLI) scheme was initiated to promote domestic manufacturing of many important sectors and the Pesticides Manufacturers and Formulators Association of India is urging the government to extend the benefit of PLI scheme to agrochemical sector also.

The steps taken by Government of India under 'Atmanirbhar Bharat' initiative shall start yielding results and benefit companies like ours with technology competence.



our core capabilities



Led by a second generation technocrat entrepreneur with an experience of about 20 years, the company can boast of proven manufacturing capabilities with well defined processes. In line with the changing requirement of customers our company invests in the required technologies to stay relevant in the market.



Deepening Market Presence

We continue to expand our market presence with increased spending on domestic and overseas registration.



R&D Team

Our R&D team comprises of competent and committed personnel with decades of experience providing steady pipeline of innovative and efficacious products.



Employees

We employ about 600 people including on contract basis developing and nurturing talent across levels to enhance technical and leadership skills.



Widened product portfolio

We possess a balanced product portfolio across fungicides, insecticides and herbicides segments and launched 6 new products during last 5 years.



CHAIRMAN'S INSIGHTS



Dear Shareholders,

The year 2021-22 has been a mixed bag as the pandemic and its associated impacts persisted for most part of the year. As the economies prepared to put the worst impacts of the pandemic behind, Russia's invasion of Ukraine posed new challenges to the world. The geopolitical repercussions of the war led to soaring commodity prices and unanticipated disruptions in the supply chains.

In the wake of these sudden developments, our Company too is facing its share of challenges. Given the heavy dependence of agrochemical



manufacturers, on imports from China, we being no exception, shortage of raw materials posed serious challenges. To overcome the escalating supply chain uncertainty, driven by manufacturing disruptions and potential or real bottlenecks, we had to take counter measures such as increased safety stocks and firming up negotiated transactions for procurement in the near term, while passing on a slice of the price hike to our customers.

During the fiscal under review a favourable policy, environment supported the growth in agricultural sector, especially products like fertilisers. With the government's enhanced push being given to the agriculture industry, the agrochemical industry is set to continue with its growth trajectory in the current fiscal.

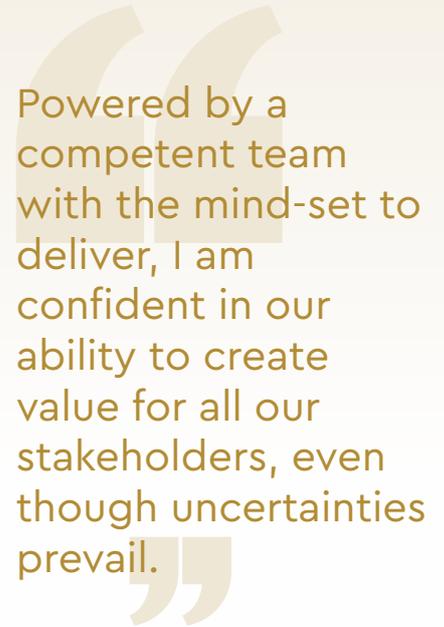
The China +1 strategy will be beneficial for India as major consumers might prefer to shift their supplier base to India. This, along with sustained demand from

countries like the US, Brazil and European Union and the improving pesticide consumption trends in our country should contribute to the growth of agrochemical industry in India. Your Company is looking forward to capitalize on such available opportunities in the domestic as well as the overseas markets. Powered by a competent team with the mind-set to deliver, I am confident in our ability to create value for all our stakeholders, even though uncertainties prevail.

I would like to specially thank all our shareholders and employees for making our recent fund raise an overwhelming success. I would also like to thank the governments at the state and centre, our Customers, Vendors, bankers and all other stakeholders who supported us at all times.

Best Regards,

K Satyanarayana Raju
Chairman



Powered by a competent team with the mind-set to deliver, I am confident in our ability to create value for all our stakeholders, even though uncertainties prevail.





MD'S PERSPECTIVE



We delivered a record financial performance in the year under review. We crossed the milestones of ₹ 400 crore sales turnover and ₹ 50 crore PBT in the fiscal while achieving sequential growth quarter-on-quarter on a standalone basis.

Dear Shareholders,

The fiscal 2021-22 was an eventful year of significant progress and continued success for us. We delivered strong business performance despite challenges in our operating environment reflecting our robust business model.

We delivered a record financial performance in the year under review. We crossed the milestones of ₹ 400 crore sales turnover and ₹50 crore PBT in the fiscal while achieving sequential growth quarter-on-quarter on a standalone basis. We registered a sales revenue of ₹435.67 crores compared to ₹317.90 crores in the previous year. Our profit before tax improved to ₹ 51.46 crores from ₹ 31.23 crores and the Profit after

tax improved to ₹ 35.90 crores from ₹ 23.46 crores of the previous year. Strong growth in domestic sales and improved performance in the export sales contributed for the significant jump in the revenue and profits.

In line with our strategy to reduce the level of dependence on imports from China, we have, over the years, constantly focused on backward integration with significant capex investment to make certain intermediates on our own. Strategies such as this and the right selection of products in alignment with the market demand and timely procurement of raw materials resulted in posting better numbers.

We are continuing to pursue expeditious registration approvals in the domestic and overseas

arenas for a good number of commercially potential products which are in the pipeline.

As we have entered the new fiscal, we hope that we will sustain the growth momentum of the last couple of years and keep earning the confidence of our shareholders and customers as we chart new frontiers of growth.

Warm regards,

S Chandra Sekhar
Managing Director



CEO'S MESSAGE



Over the last two years, despite the pandemic, we have consistently performed in terms of sales and profitability, showcasing our adaptability and tenacity.

Dear Shareholders,

During the Financial Year 2021-22, we have been able to manage uncertainties with conviction. A strong strategic intent to focus on medium to long-term vision and a dynamic and result oriented team helped us achieve a stellar performance in a year marked by several headwinds.

During the fiscal, our wholly owned subsidiary, Bheema Fine Chemicals Private Ltd., obtained environmental clearance from Ministry of Environment, Forest and Climate Change (MOEF&CC), Government of India, to manufacture up to 9,002 MTA of agrochemicals and their intermediates. With further necessary approvals underway, we anticipate to complete the

first phase of this project and commission it before the end of March 2024. This project will generate new streams of revenue for us and help us cater to the needs of our customers.

Over the last two years, despite the pandemic, we have consistently performed in terms of sales and profitability, showcasing our adaptability and tenacity. We aim to keep this momentum in the foreseeable future continuing to be the preferred partner of choice for the leading agrochemical formulators in both domestic and overseas markets.

Backed by the expertise and experience of the management, resilient track

record of operations, proven R&D capabilities, strategic capacity augmentation plans and the continued patronage of longstanding and elite customers across the globe, we are confident on our ability to continue to drive shareholder value over the long term.

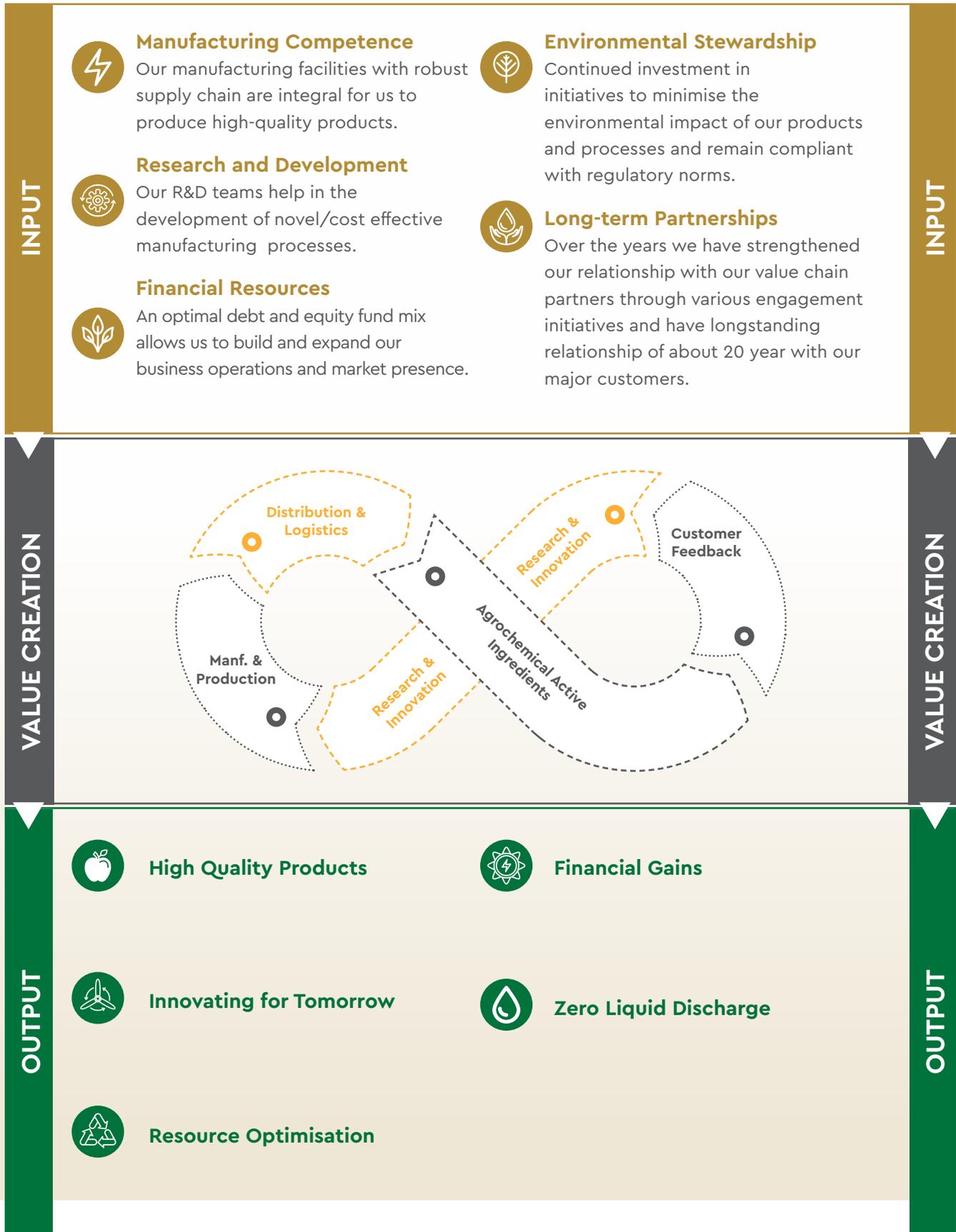
Warm regards,

A Arvind Kumar
Chief Executive Officer





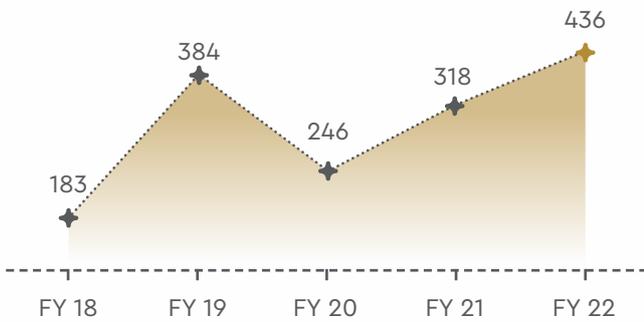
OUR BUSINESS MODEL



NUMBERS THAT DEFINE OUR PERFORMANCE

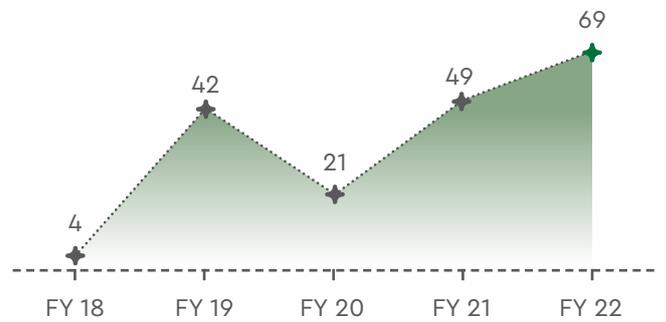
Revenue from Operations

(₹ in Cr.)



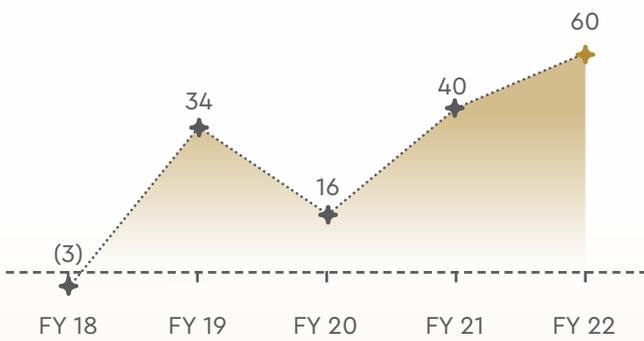
EBITDA

(₹ in Cr.)



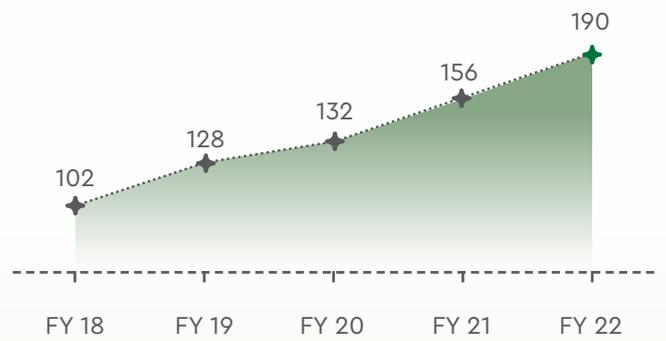
Cash Profit

(₹ in Cr.)



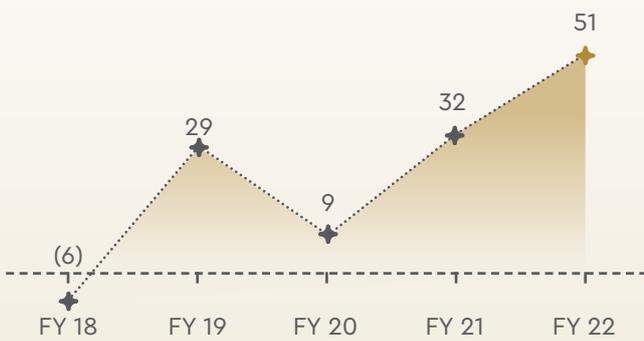
Net Worth

(₹ in Cr.)



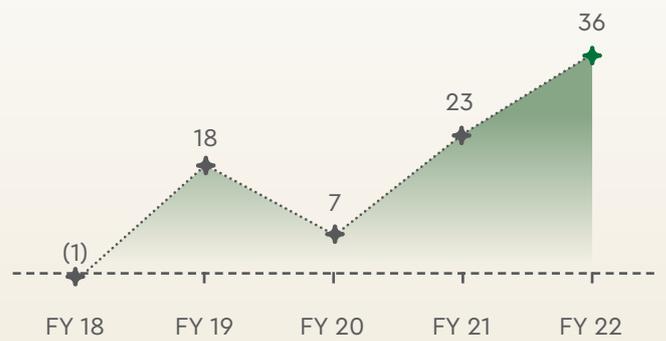
Profit Before Tax

(₹ in Cr.)



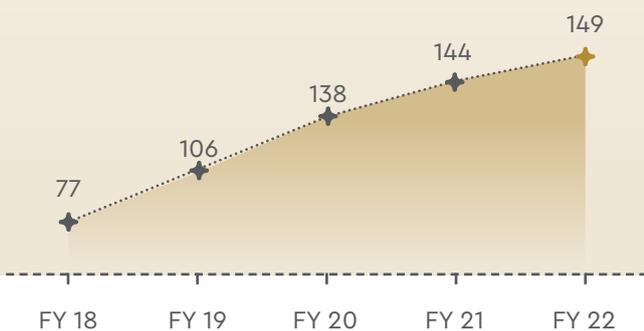
Profit After Tax

(₹ in Cr.)



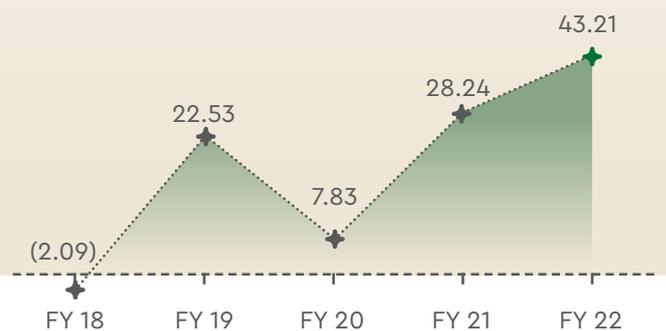
Net Fixed Asset

(₹ in Cr.)



Earnings Per Share

(in ₹)





BOARD OF DIRECTORS

INDEPENDENT, NON-EXECUTIVE



Sri K S Raju, Chairman

He is a graduate in Mechanical Engineering from the University of Mysore and is a renowned entrepreneur having more than 30 years of industry experience in chemicals and fertilizers.



Sri Sudhakar Kudva

A Fellow Member of the Institute of Chartered Accountants of India (ICAI). He has about 40 years of experience in various key positions with the Nagarjuna Group, Indian Seamless Group, and Arcelor Mittal, Algeria etc. Including as Board member



Sri GSV Krishna Rao

Graduate in Commerce and an Associate Member of the Indian Institute of Banking & Finance. A former General Manager of a public sector bank, he has over 30 years of experience in industrial and corporate banking.



Sri Kishor Shah

A Fellow Member of the Institute of Chartered Accountants of India (ICAI). He has over 30 years of experience in senior positions in finance and accounts. He was associated with Balrampur Chini Mills for over 21 years where he served as its Chief Financial Officer and Board member



Dr G Aruna

A Ph.D. in Chemical Engineering from Indian Institute of Science, Bangalore, Dr Aruna has about 30 years of professional experience having served in Engineers India Limited and SABIC Research and Technology and as a consultant in process design, safety studies and R&D.

BOARD COMMITTEES

C Chairman **M** Member

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

NON- INDEPENDENT, NON-EXECUTIVE



Smt. S Lalitha Sree

She is a Post Graduate in commerce and hails from a business family. She has been a Promoter director since 2015.



Sri S Chandra Sekhar, Managing Director

Holds a Master's degree in chemical engineering from the University of Illinois, Chicago. He has been associated with the Company since 2002 in various capacities including as the Head of the DSIR recognized R&D department. He was appointed as the Managing Director of the Company in 2012.



Sri Ketan Chamanlal Budh, Whole-Time Director

A graduate in Commerce from University of Mumbai. He has over 20 years of rich experience in agrochemical industry in various capacities. He was formerly the Executive Director of Sulphur mills, Mumbai.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Sri K S Raju

Non-Executive Independent
Chairman

Sri Sudhakar Kudva

Non-Executive Independent Director

Sri GSV Krishna Rao

Non-Executive Independent Director

Smt S Lalitha Sree

Non-Executive Director

Sri Kishor Shah

Non-Executive Independent Director

Dr G Aruna

Non-Executive Woman Independent
Director

Sri S Chandra Sekhar

Managing Director

Sri Ketan Chamanlal Budh

Whole-time Director

KEY MANAGERIAL PERSONNEL

Sri A Arvind Kumar

Chief Executive Officer

Sri B Krishna Mohan Rao

Chief Financial Officer

CS Sharanya. R

Company Secretary and
Compliance Officer

BOARD COMMITTEES

Audit Committee

Sri Sudhakar Kudva, Chairman

Sri S Chandra Sekhar, Member

Sri GSV Krishna Rao, Member

Sri Kishor Shah, Member

Nomination & Remuneration Committee

Sri Sudhakar Kudva, Chairman

Sri K S Raju, Member

Sri GSV Krishna Rao, Member

Stakeholders' Relationship Committee

Sri GSV Krishna Rao, Chairman

Sri Sudhakar Kudva, Member

Sri S Chandra Sekhar, Member

CSR Committee

Sri Sudhakar Kudva, Chairman

Sri S Chandra Sekhar, Member

Smt S Lalitha Sree, Member

Risk Management Committee

Sri Sudhakar Kudva, Chairman

Sri GSV Krishna Rao, Member

Dr. G. Aruna, Member

REGISTERED OFFICE

8-2-269/S/3/A, Plot No. 3, Sagar
Society, Road No.2

Banjara Hills, Hyderabad - 500 034,
Telangana, India.

Tel: + 91-40-42221212, 42212323,
23540616

Fax: + 91-40-23540444

CIN: L24219TG1993PLC015963

E-mail: info@bhagirad.com

Site: www.bhagirad.com

FACTORY

Cheruvukommupalem Village

Yerajarla Road, Ongole Mandal

Prakasam Dist,

Andhra Pradesh 523 272

STATUTORY AUDITORS

M/s. S. Singhvi & Co.

Chartered Accountants

(Firm Regi. No.: 003872S)

405, Vamsi Paradise

7-1-69, Balkampet St No 1

Ameerpet, Hyderabad - 500 016

INTERNAL AUDITORS

Sunesh Agarwal

Chartered Accountants

Membership No. 223768/ICAI

3-2-333, Chappal Bazar

Kachiguda, Hyderabad - 500 027

COST AUDITORS

M/s. Sagar & Associates

Cost Accountants

205, 2nd Floor

Raghava Ratna Towers

Chirag Ali Lane, Abids

Hyderabad - 500 001

SECRETARIAL AUDITORS

M/s. RPR & Associates

Company Secretaries

H.No.158/C, 2nd Floor

Vengalrao Nagar

Hyderabad -500 038

BANKERS

State Bank of India, SME Branch,
Saifabad, Hyderabad

Axis Bank Limited, Begumpet,
Hyderabad Main Branch

RBL Bank Limited, Madhapur Branch,
Hyderabad

ICICI Bank Limited, Jubilee Hills
Branch, Hyderabad

LISTING

BSE Limited, Mumbai

**National Stock Exchange of India
Limited**, Mumbai

STOCK CODE

- BSE - 531719
- NSE - BHAGCHEM
- ISIN Code - INE414D01019

REGISTRAR AND TRANSFER AGENTS

M/s. XL Softech Systems Limited

Plot No. 3, Sagar Society,

Road No. 2, Banjara Hills,

Hyderabad - 500 034

Tel. (040) 23545913

Fax (040) 23553214

Email: xlfield@gmail.com



Management Discussion and Analysis



World economy

The world economy grew by 6.1% in CY2021, according to the World Economic Outlook by IMF. The growth in 2021 was fuelled by increase in consumer spending and moderate growth in investment. However, during the end of 2021 the growth slowed in some major economies including China, USA, and the EU. The slow growth was majorly due to supply chain disruption and fading benefits of fiscal and monetary policies.

The recovery has been uneven with the advanced economies starting to show signs of recovery mainly due to increase in economic activity and investments, which

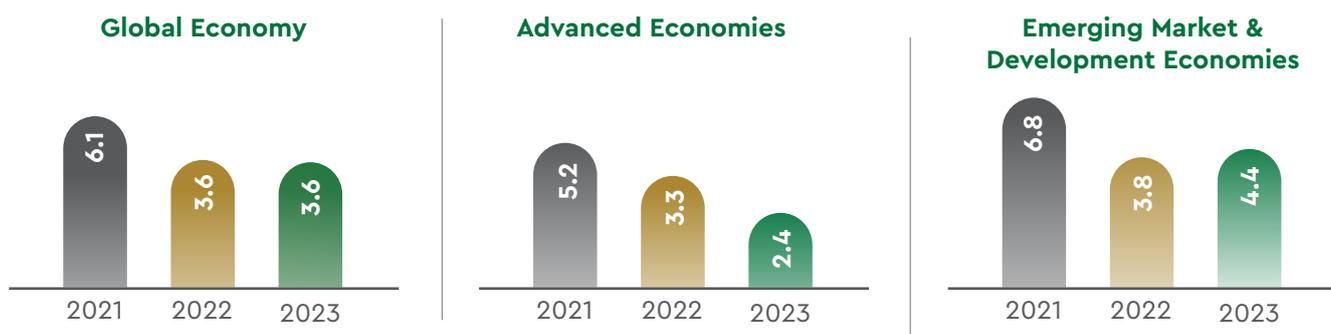
are expected to reach to their pre-pandemic levels. Whereas, Emerging Markets and Developing Economies have experienced a sluggish growth owing to the slower vaccine rollout, tighter economic policies, high unemployment and high inflation.¹

Outlook

Global growth is projected to decline to 3.6% in 2022 and 2023 and slow down to 3.3% after 2023 over the medium run. Advanced economies are expected to register growth of 3.3% in CY 2022 and 3.6% in CY 2023, while emerging economies are expected to register a growth of 3.8% and 4.4% respectively.¹

World Economic Outlook April 2022

Growth Projections



Source: International Monetary Fund

¹ World Economic Outlook April 2022, IMF



Inflation is estimated to be at 5.7% in advanced economies and 8.7% in emerging markets and developing economies, owing to war-induced commodity price hikes and expanding pricing pressures.¹

Indian Economy

According to the second advance estimates of the National Statistical Office (NSO), India is expected to register a growth of 8.9% in FY2021-22, 1.8% higher than the pre-pandemic growth rate.² The pandemic has had only a moderate impact on agricultural and related businesses, which are expected to grow by 3.9% in FY2021-22 after growing by 3.6% the previous year.³

Headline Inflation in the Consumer Price Index (CPI) climbed to 6.0% in January 2022 and 6.1% in February, reaching the upper tolerance limit. The rising inflation is a result of high prices of food and energy, geopolitical conflicts, lockdowns due to Covid and supply chain disruptions.

Outlook

In FY2022-23, India's GDP growth is estimated to be between 8%-8.5% and between 6.7%-7.1% in FY 2023-24.⁴ Growth is expected to pick up in the second quarter of FY2022-23 as uncertainties decline. The geopolitical issues may result in capital outflows and a

fast devaluation of the currency but both are projected to recover by the end of 2023.

Overall economic indicators suggest that India is well prepared for the challenges in 2022-23. India's strategy with the policies focusing on supply side changes rather than complete dependence on demand control, has prepared the country for long time growth.

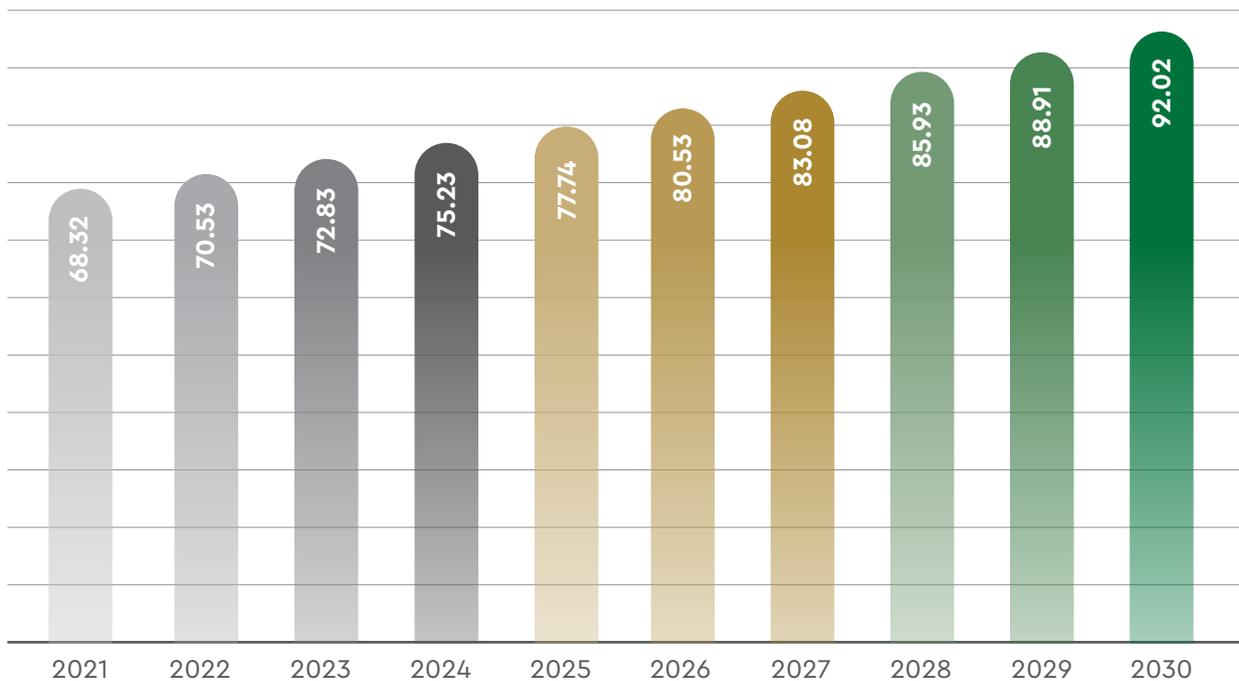
Industry overview

Global Crop Protection Chemicals Industry

The market size of global crop protection market was US \$68.32 billion in 2021. It is estimated that the industry will reach size of US \$92.02 billion by 2030, registering CAGR of 3.4% between 2021-2026. Pest infestations, crop yields, and agriculturists' – levels of awareness and capacity to purchase products are all factors that influence market growth of this industry.

With strong expansion and shifting crop mix trends and environmental laws, the crop protection sector has evolved over time. Growing population, shrinking arable land, food security, vegetarian eating trends, and the need for increased agricultural productivity are all major drivers driving demand for more agricultural output, enhancing the crop protection industry's global expansion.

CROP PROTECTION CHEMICALS MARKET SIZE, 2021 TO 2030 (USD BILLION)



Source: Crop Protection Chemicals Market Size, Trends, Report 2022-2030 (precedenceresearch.com)

² <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR103MPC81636A20CC4146AAA70682C8252B56DB.PDF>

³ Economic Survey 2021-22

⁴ <https://www2.deloitte.com/xe/en/insights/economy/asia-pacific/india-economic-outlook.html>





Indian Agrochemical Industry

India's agrochemical industry is a vital element of the Indian economy. Agriculture generates 20.2% of India's total gross value added (GVA). Agriculture and related sectors employ approximately 54.6% of the population. During FY2021-22, the total production of all key fertilisers was 330.84 LMT.⁵ The rapid increase of fertiliser production in the country has been assisted by a favourable policy environment that allows investments in the public, cooperative, and private sectors.

Over the last six years, India's agrochemical industry has grown at 7.6% annual pace. The Indian agrochemical market is predicted to grow at a 9.3% CAGR until 2025, with specialty chemicals rising at more than 12%.⁶

The Indian agrochemical industry has been recognized as one of the industries that has effectively fought the pandemic's wrath. Supply chain difficulties, demand pattern shifts, and the financial crisis are on the wane and a promising future seems unfolding for the Indian agrochemical industry. Agrochemicals have supported India's economic growth both directly and indirectly through industrial expansion and improvements in agricultural yield.

The production and export of agrochemicals have increased considerably in the last decade, and this trend is projected to continue. More and more Indian companies have decided to focus on integrating the industries' chain backwards and derive the corresponding benefits. Indian chemical firms, which were eyeing the key intermediates for the past few years, received a boost from the pandemic and the focus on localizing supply chains.

Government Initiatives

- The Indian government has established a number of Petroleum, Chemical, and Petrochemical Investment Regions (PCPIR) across the country, complete with all necessary facilities and policy support to boost the production of various chemicals such as agrochemicals, petroleum, and petrochemical goods. Industry can use these facilities to design and commission units for the production of technical grade products with perfect backward integration, decreasing the need for imports.
- In keeping with the Make in India and Atmanirbhar Bharat programmes, the Indian government is focusing on research and innovation. The government and industry have begun investing heavily in research and development to produce new generation compounds, isomers and manufacturing processes, green chemistry products, innovative combinations, and solo formulations in order to make India a global hub for agrochemical product manufacturing.
- The Indian government is establishing a regulatory framework for agrochemicals in the country, including policy, norms, and regulations for pesticide applications using drones. The government has also begun working on methods for fast-tracking the registration of new crop protection compounds in the country.

Opportunities

- Indian farmers are looking for more effective and environment friendly pesticides that can be used in lesser quantities per hectare. As the availability of these items is very low, there is a scope of developing more such products which will benefit all the stakeholders and help the agricultural exports grow.
- The intellectual property policy also encourages industry to develop new technology and goods by granting 20-year patent protection. Many companies have been able to invest in R&D operations in order to create novel technologies and products and obtain protection both in India and internationally via the PCT or Paris Convention pathways.
- Industry is increasingly focusing on digitization to drive better analytics, decision-making and traceability across the value chain. Digital tools such as farmer apps and dealer management systems are helping companies in undertaking tailor-made approaches for different market segments. The COVID-19 outbreak has further pushed an already growing trend of technology and internet usage in rural areas, thus creating a favourable digital environment.

⁵ <https://fert.nic.in/sites/default/files/2020-082022-03/Final-AR-2022-DOF-22.pdf>

⁶ FICCI (<https://ficci.in/sector-details.asp?sectorid=7>)



Challenges

Complex supply chain- Due to the large number of end users in the market, the supply chain for agrochemical is complex and results in significant post-harvest losses for the farmers.

- Lack of knowledge among the farmers- Most farmers lack knowledge about the products available in the market and the way to use these products. Inappropriate use of these chemicals result in great losses for the farmers
- Counterfeit products - There are many counterfeit and sham products available in market which in turn affect revenues of the organised sector.
- High R&D costs- It takes about 9 years of R&D and \$180 million to develop a new agrochemical compound. Companies in India haven't typically concentrated on developing novel compounds and will have difficulties in establishing these capabilities, while maintaining cost competitiveness.

Outlook

Despite enormous challenges, the agrochemical companies in India operated safely and reliably backed by their core strengths, innovating and adapting to the new normal as best as they could. The policy makers can leverage the opportunities available to work in the direction of newer technologies, novel molecules, efficacious combination and solo formulations, enhancing manufacturing infrastructure, creating a proper policy environment to help in improving productivity as well as foreign investment in the country in order to increase the share of agrochemicals in the country's GDP and exports.

Company Overview

Bhagiradha Chemicals and Industries Limited is a Hyderabad based Public limited company manufacturing high quality pesticides, listed on the BSE and NSE with significant export sales over the years. The industry is located in Cheruvukommupalem, Ongole, Prakasam district, Andhra Pradesh at a distance of about 350 Km from the port city of Chennai in Tamilnadu and is connected by National Highway. The manufacturing facility has an aggregate installed capacity of 3250 MT per annum, spread across 29 hectares of land with three production blocks and 4 process lines and an effluent treatment plant with zero liquid discharge system. It has proven capabilities to manufacture technical grade Insecticides, Fungicides, Herbicides and other specialty intermediates complying with International standards.

The company's strength is through Innovation led product portfolio, well laid out manufacturing capacity, Strong in house Research and development, Diversified customer base across the globe and competent management bandwidth. The company's business development

strategy is mainly focused on Strong emphasis on developing new processes for the existing products to optimize costs and non-infringing processes for newly identified off-patent products.

Quality Control

The company has a complete in-house quality control laboratory with modern analytical equipment and well documented procedures and an established quality assurance system manned by experienced and qualified personnel.

Environmental, Health and Safety

The company has taken adequate measures for environment protection, safety and health of the employees. The industry has developed Zero Liquid Discharge system for effluent treatment and has also treatment facilities consisting of stripper, multi effect evaporator, Agitated Thin Film Dryer (ATFD), Biological ETP, RO system. Solid waste generated within the plant is sent to approved land fill.

Occupational health center is provided inside the company premises and working 24x7.

Safety infrastructure is provided and Fire hydrant system covered entire plant. New fire detection system and latest equipment are installed to face any emergency. Regular Drills, training programmes and planned audits are carried out on an ongoing basis.





Research and Development

The R&D facility is recognized by the DSIR and located within the factory premises. It has a pilot plant facility, where the scale at which a product is manufactured is increased through a non-infringing process developed in the R&D facility prior to launching full scale commercial production.

Human Resource

The company has focused on employee lifecycle for good human resource management. The company feels proud of the commitment, competence and dedication shown by its employees in all areas of business. The company also plans for structured induction and skill development program of the all the employees. Also BCIL is committed to nurturing, enhancing and retaining talent through superior learning and organization development.

Company Outlook

Opportunities are knocking with the expansion of capacities to cater the rising demand from domestic as well as overseas for the Indian specialty chemicals and also as the global companies seek to de-risk their supply chains which are dependent on China. The scope for capacity expansion is limited in the existing plant which is located in a non-industrial zone. During the year its Subsidiary, Bheema Fine Chemicals Pvt Ltd received environmental clearance from the MoEF &CC, Government of India, for manufacture of pesticides of 9002 MT per annum. The Karnataka State Pollution Control Board has accorded its Consent for Establishment recently. The Company is making sincere efforts for early implementation of the project to augment its much needed capacities.



Notice of the 29th Annual General Meeting

To
The Members of
Bhagiradha Chemicals & Industries Limited

Notice is hereby given that the Twenty Ninth (29th) Annual General Meeting (AGM) of the members of Bhagiradha Chemicals and Industries Limited ("the Company") will be held on Friday, August 12, 2022 at 11:00 a.m. IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022, 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 resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the members be and are hereby considered and adopted" and

- b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022, the Report of the Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon, as circulated to the members be and are hereby considered and adopted."

2. Declaration of Dividend:

To declare final dividend on equity shares at the rate of (20%) i.e. ₹2/- (Rupees Two only) per equity share of face value of ₹10/- (Ten Rupees) each for the Financial Year ended March 31, 2022 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT a dividend at the rate of 20% i.e. ₹2/- (Rupees Two Only) per equity share of face value of ₹10/- (Rupees Ten Only) fully paid-up Equity Shares of the Company, as recommended by the Board of

Directors be and is hereby approved for the financial year ended March 31, 2022."

3. Re-appointment of Director Retiring by Rotation

To appoint a Director in place of Smt. Singavarapu Lalitha Sree (DIN: 06957985) Non-Executive Non Independent Director, who retires by rotation and being eligible, offers herself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 152(6) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013, Smt. Singavarapu Lalitha Sree (DIN: 06957985) Non-Executive Non Independent Director who retires by rotation at this meeting and being eligible, offers herself for re-appointment, be and is hereby appointed as a Director of the Company."

4. To appoint M/s. R. Kankaria & Uttam Singhi, Chartered Accountants (M.No. 022051/ICAI), as statutory auditors of the company to hold office for a term of 5 consecutive years i.e. from the conclusion of 29th AGM in FY 2022-2023 till the conclusion of the 34th AGM in FY 2027- 2028 and authorize the Board to fix their remuneration for respective period(s).

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. R. Kankaria & Uttam Singhi, Chartered Accountants (M.No. 022051/ICAI), Address: 6-3-1090/C-4, Raj Bhavan Road, Somajiguda, Hyderabad, 500 082, be and are hereby appointed as the Statutory Auditors of the Company, in place of the retiring Statutory Auditors, M/s. S. Singhvi & Co., Chartered Accountants, Hyderabad (FRN. 003872S), to hold office for a term of five consecutive years i.e. from the conclusion of 29th AGM in FY 2022-2023 till





the conclusion of the 34th AGM in FY 2027- 2028, at such remuneration, as recommended by the Audit Committee to the Board and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time."

SPECIAL BUSINESS:

5. To ratify the remuneration of Cost Auditors for the financial year 2022-23:

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors, M/s. Sagar & Associates, Cost Accountants in practice (Firm Registration No. 000118), appointed as Cost Auditors by the Board of Directors to conduct audit of the Cost Records of the Company for the financial year ending March 31, 2023, be paid a remuneration of ₹ 1,00,000/- (Rupees One Lakh) per annum and out of pocket & other expenses and GST at actuals, as approved by the Board of Directors and as set out in the Statement annexed to the Notice convening this Meeting, be and is hereby ratified."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution."

6. To approve the revision in remuneration to be paid to Sri. S. Chandra Sekhar, Managing Director of the company

To consider and if thought fit to pass, with or without modification(s), the following as a Special Resolution:

"RESOLVED THAT in terms of provisions contained in Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder, including any statutory modifications or re-enactment thereof, and the Articles of Association of the Company and in furtherance of the special resolution passed in the 27th Annual General Meeting held on September 04, 2020, approval of the Members be and is hereby accorded for revision in the payment of remuneration to Sri. S. Chandra Sekhar, Managing Director of the company on the terms and conditions as mentioned below and as set out in the Explanatory Statement, for a period from 01.06.2022 to 31.05.2024, which in any financial year may exceed the limits specified in Section 197 and Schedule V of the Act and the Listing Regulations

and if in any Financial Year, during the period from 01.06.2022 to 31.05.2024, the Company has no profits or profits are inadequate the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time based on the applicable rules and regulations, shall be paid as minimum remuneration to Sri. S. Chandra Sekhar, Managing Director of the company and the approval accorded herein shall also be deemed to be the approval by way of special resolution as contemplated under Section 197 read with Schedule V of the Act and/or Regulation 17 of the Listing Regulations, as may be applicable

Terms and Conditions:

Gross Salary	₹ 1,44,00,000 (i.e ₹12, 00, 000 / Per month)
Provident Fund	₹ 10,36,800
Gratuity, Leave	As applicable to the employees of the Company
Commission	1.5 % of Net Profit
Health Insurance cover	Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer.

- Where if in any Financial Year, during the period from 01.06.2022 to 31.05.2024, the Company has no profits or profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time based on the applicable rules and regulations, shall be paid as minimum remuneration"

"RESOLVED FURTHER THAT the remuneration payable to Sri. S. Chandra Sekhar, Managing Director of the company for a period from 01.06.2022 to 31.05.2024 may exceed 5% of the Net Profits of the company calculated under section 198 of the Companies Act, 2013, limits as prescribed under Section 197 of the Act read with rules made thereunder as amended from time to time and the total managerial remuneration payable to all the executive director(s)/ managers of the Company taken together in any financial year shall not exceed the limit of 10% of net profit and overall managerial remuneration payable to all directors/ managers shall not exceed the limit of 11% of net profit of the Company as prescribed under Section 197 of the Act read with rules made thereunder or other applicable provisions or any statutory modifications thereof.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to vary or revise the remuneration (including the minimum remuneration), as agreed to between the Board and Sri. S. Chandra Sekhar, Managing Director of the company, within such prescribed limit or ceiling subject to such approvals as may be required by law."



7. To approve the request received from one of the promoters and one of the persons belonging to the promoter group of the company for re-classification to "public" category from "promoter" category.

To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013, read with the relevant Rules and such other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force) and subject to the approval from the Stock Exchanges where shares of the Company are listed i.e. BSE Limited & National Stock Exchange of India Limited (NSE), the approval of the members of the Company be and is hereby accorded to reclassify Sri. Dodda Sadasivudu, one of the Promoters of the Company, holding 78,564 Equity shares (0.76% of equity share capital of the Company) and Smt. Kudravalli Sri Lakshmi, one of the persons belonging to Promoter Group of the company holding 30,264 Equity shares (0.29% of equity share capital of the Company) from the "Promoter" Category to the "Public" Category.

"RESOLVED FURTHER THAT the above applicants confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"RESOLVED FURTHER THAT on receiving the approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicants, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"RESOLVED FURTHER THAT the Board of Directors (which may include sub-delegation of all or any of the powers herein conferred to any committee of directors or director(s) or any other officer or officers of the Company), Company Secretary of the Company be and are hereby severally authorized, to perform, sign and execute all such acts, deeds, matters and things including but not limited to making intimation/filing applications to stock exchange(s), seeking approvals from the SEBI (if required) and the Stock Exchanges where shares of the Company are listed and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard to give full effect to the aforesaid resolution without requiring the Board to secure any further consent or approval of the members of the Company."

By Order of the Board of Directors
Bhagiradha Chemicals and Industries Limited

Registered Office:
8-2-269/S/3/A
Plot No. 3, Sagar Society,
Road No.2, Banjara Hills,
Hyderabad - 500 034,
CIN: L24219TG1993PLC015963
Ph: 040 42221212 / 2323
E-mail: info@bhagirad.com

Date: May 26, 2022
Place: Hyderabad

Sharanya. R
Company Secretary & Compliance Officer
M. No: ACS-63438



Notes

1. In view of continuing COVID-19 pandemic, pursuant to General Circular No. 2/2022 dated May 5, 2022 issued by Ministry of Corporate Affairs ('MCA Circular') and all other circulars issued by MCA in this regard and in compliance with the provisions of the Companies Act, 2013, read with the rules made thereunder and SEBI Listing Regulations, the 29th Annual General Meeting of the Members of the Company is being convened through Video Conference / Other Audio Visual Means (VC/OAVM), without the physical presence of members at a common venue. In view of the same, the registered office of the Company shall be deemed to be the venue of the AGM.
2. In compliance with the above MCA Circulars and SEBI Circular, Notice of the AGM along with the 29th Annual Report for FY 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ RTA, Depositories, unless any member has requested for a physical copy of the same. Members may note that the Notice and 29th Annual Report for FY 2021-22 will also be available on websites of the Company (<https://www.bhagirad.com/>), websites of the stock exchanges, BSE Limited (www.bseindia.com), National Stock Exchange of India Limited (www.nseindia.com) and on the website of Company's Registrar & Share Transfer Agent.
3. The Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') in respect of Item No. 5, 6, 7 of the Notice, is annexed hereto.
4. GENERALLY, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD THROUGH VC / OAVM PURSUANT TO THE MCA CIRCULARS, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS SHALL NOT BE AVAILABLE FOR THE AGM AND HENCE, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED HERETO.
5. Since, the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. In terms of the provisions of Section 152 of the Companies Act, 2013 and rules made there under, Smt. Singavarapu Lalitha Sree (DIN: 06957985) Non-Executive Non Independent Director, liable to retire by rotation at this Meeting, offers herself for reappointment.
7. Pursuant to Regulations 36(3) of SEBI Listing Obligation and Disclosure Requirements) Regulations, 2015, Section 160 of the Companies Act, 2013 and Secretarial Standards on General Meetings (SS- 2), details in respect of Directors seeking appointment/ reappointment of Directorship at 29th AGM of the Company to be held on August 12, 2022 are provided in Annexure-1 of this Notice.
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL. In terms of the MCA & SEBI Circulars, voting can be done only by Remote E-voting/ E-voting at the AGM. The Members are advised to use the E-voting procedure, as provided in the Notice

Remote e-Voting: Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members through e-Voting agency M/s. National Securities Depository Limited (NSDL).

Voting at the e-AGM: Members who could not vote through remote e-voting may avail the e-voting system provided in the e-AGM by M/s. National Securities Depository Limited (NSDL).
9. The Company has notified closure of Register of Members and Share Transfer Books from Saturday, August 6, 2022 to Friday, August 12, 2022 (both days inclusive) for determining the names of member(s) eligible for dividend on Equity Shares, if declared at the Meeting:
10. Members may avail facility of nomination in terms of Section 72 of the Companies Act, 2013, by nominating any person to whom their shares in the Company shall vest in the event of their death.
11. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all equity shares in respect of which dividend has not been paid or claimed for seven consecutive



years or more shall be transferred by the Company to demat account of the IEPF authority within a period of thirty days of such equity shares becoming due to be transferred to the IEPF. In the event of transfer of equity shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5.

12. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
13. The Statutory Registers and the documents pertaining to the items of business to be transacted at the AGM are available for inspection in electronic mode
14. For receiving all communication (including Annual Report) from the Company electronically:

Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number, attaching a self-attested copy of PAN card and a photocopy of blank cancelled Cheque of their bank account at investor.bcil@bhagirad.com or to XL Softech Systems Limited at xlfield@gmail.com

Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participant.

15. PROCEDURE FOR INSPECTION OF DOCUMENTS:

1. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of 29th AGM. Members seeking to inspect such documents can send an email to info@bhagirad.com

16. DIVIDEND RELATED INFORMATION

- i. The Board of Directors recommended a final dividend on equity shares at the rate of 20% i.e. ₹ 2.00/- per Equity Share of face value of ₹ 10/- each for the Financial Year ended on March 31, 2022, subject to approval of the Members at the AGM
- ii. As per relevant Circulars, payment of dividend shall be made through electronic mode to the members who have updated their bank account details. Dividend warrants / demand drafts will be dispatched to the registered address of the members who have not updated their bank account details. To avoid delay in receiving dividend, members are requested to update their bank account details with their Depository Participants in case securities are held in demat mode and members holding securities in physical form should send a request for updating their bank details to the Company's Registrar & Share Transfer Agent.
- iii. Payment of Dividend shall be subject to deduction of tax at source (TDS) at applicable rates as notified by the Government of India
- iv. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during financial year 2022-23 does not exceed ₹ 5,000-. The withholding tax rate would vary depending on the residential status of the member and documents registered with the Company as follows:

**A. RESIDENT MEMBERS****A.1 Tax Deductible at Source for Resident Members**

Sl No	Particulars	Rate of TDS	Documents required (if any)
1.	Valid PAN updated in the Company's Register of Members	10%	No document required (if no exemption is sought)
2.	No PAN/Valid PAN not updated in the Company's Register of Members	20%	No document required (if no exemption is sought)
3.	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority

A.2 No Tax Deductible at Source on dividend payment to resident members if the Members submit and register following documents as mentioned in the below table with the Company / or RTA i.e XL Softech Systems Limited

Sl No	Particulars	Rate of TDS	Documents required (if any)
1.	Submission of form 15G/15H	Nil	Declaration in Form No. 15G (applicable to any person other than a company or a firm) / Form 15H (applicable to an Individual who is 60 years and above), fulfilling certain conditions
2.	Members to whom section 194 of the Income Tax, 1961 does not apply such as LIC, GIC, etc.	Nil	Documentary evidence that the said provisions are not applicable
3.	Member covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds	Nil	Documentary evidence for coverage u/s 196 of Income Tax Act, 1961
4.	Category I and II Alternative investment Fund	Nil	SEBI registration certificate to claim benefit under section 197A(1F) of Income Tax Act, 1961
5.	<ul style="list-style-type: none"> • Recognised provident funds • Approved superannuation fund • Approved gratuity fund 	Nil	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT)
6.	National Pension Scheme	Nil	No TDS as per section 197A (1E) of Income Tax Act, 1961

B. NON-RESIDENT MEMBERS:

Withholding tax on dividend payment to non-resident members, if the non-resident members submit and register following document as mentioned in the below table with the Company / RTA.

Sl No	Particulars	Rate of TDS	Documents required (if any)
1.	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	FPI registration number / certificate



SI No	Particulars	Rate of TDS	Documents required (if any)
2.	Other Non-resident members	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	To avail beneficial rate of tax treaty following tax documents would be required: i. Tax Residency certificate issued by revenue authority of country of residence of member for the year in which dividend is received ii. PAN iii. Form 10F filled & duly signed iv. Self-declaration for non-existence of permanent establishment/ fixed base in India (Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident member and review to the satisfaction of the Company)
3.	Indian Branch of a Foreign Bank	NIL	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank
4.	Availability of Lower/NIL tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority

Notes:

- i. The Company will issue soft copy of the TDS certificate to its members through email registered with the Company / XL Softech Systems Limited (RTA) post payment of the dividend. Members will be able to download the TDS certificate from the Income Tax Department's website <https://incometaxindiaefiling.gov.in> (refer to Form 26AS).
- ii. The aforesaid documents such as Form 15G/ 15H, documents under section 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be sent on mail to cs@bhagirad.com on or before August 02, 2022 to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/deduction received post August 02, 2022 shall not be considered.
- iii. Application of TDS rate is subject to necessary verification by the Company of the member details as available in Register of Members as on the Record Date and other documents available with the Company / RTA.
- iv. In case TDS is deducted at a higher rate, an option is still available with the member to file the return of income and claim an appropriate refund.

- v. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Member(s), such Member(s) will be responsible to indemnify the Company and also provide the Company with all information/documents and co-operation in any appellate proceedings.
- vi. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Members should consult their tax advisors for requisite action to be taken by them.

OTHER INFORMATION

- i. Members holding shares in physical mode are:
 - a) Required to submit their Permanent Account Number (PAN) and bank account details to the Company at cs@bhagirad.com or XL Softech Systems Limited at xlfield@gmail.com along with the details of folio no., self-attested copy of PAN card, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) and cancelled cheque.



- b) Advised to register nomination in respect of their shareholding in the Company.
 - ii. Members holding shares in electronic mode are:
 - a) requested to submit their PAN and bank account details to their respective Depository Participants ("DPs") with whom they are maintaining their demat accounts.
 - b) advised to contact their respective DPs for registering nomination.
 - iii). Non-Resident Indian members are requested to inform RTA/ respective DPs, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents i.e. XL Softech Systems Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the member(s).
- v). Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / RTA.
 - vi). Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Those members, who desire to receive notice / documents through e-mail, are requested to communicate their e-mail ID and changes thereto from time to time to his/ her Depository Participant / the Company's Registrar & Share Transfer Agent as the case may be. Members who have not registered their e-mail address either with the Company or with the Depository are requested to register as soon as possible
 - vii). Members are requested to follow the process detailed below and intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

Type of holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, XL Softech Systems Limited at xlfield@gmail.com	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13
	Declaration to opt out	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc., held in physical form	Form ISR-4
	The forms for updating the above details are available on the website of the company at https://www.bhagirad.com/	
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

Members may also note that the 29th Annual Report for the financial year 2021-22 will also be available on the Company's website at <https://www.bhagirad.com/>. For any communication, the members may also send requests to the Company's investor email id: cs@bhagirad.com



PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may, by following the steps mentioned below Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name.
2. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password, may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
3. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date i.e. Friday August 5, 2022 may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as e-Voting during the AGM.
4. Any member(s) holding shares in physical form or non-individual member who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Friday, August 5, 2022, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in. However, if a person is already registered with NSDL for remote e-Voting then the Members can use their existing User ID and password for casting the vote.

In case of Individual Shareholder holding securities in dematerialized mode and who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holds shares in demat mode as on the cut-off date may follow the steps mentioned under 'Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.'

5. Members will be provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not cast their vote on the resolution(s) by remote e-Voting, will be eligible to exercise their right to vote on such resolution(s) upon announcement by the Chairperson.

Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM. The e-Voting module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

6. Members are encouraged to join the Meeting through Laptops for better experience.
7. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
8. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
9. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at cs@bhagirad.com (company email id). The same will be replied by the company suitably.
10. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as speakers by sending their request in advance at least 10 days prior to meeting, mentioning their name, Demat account number/folio number, email id, mobile number at company email id cs@bhagirad.com.
11. The shareholders who do not wish to speak during the AGM but have queries, may send their queries in advance 10 days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at company email id cs@bhagirad.com. These queries will be replied to by the company suitably by email.
12. Those shareholders who have registered themselves as speakers will only be allowed to express their views/ ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM.

Instructions for members for remote e-Voting

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated



April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and General Circular No. 2/2022 dated May 5, 2022 all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.bhagirad.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for

providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

5. AGM will be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021 and General Circular No. 2/2022 dated May 5, 2022 all other relevant circulars issued from time to time.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, August 8, 2022 at 9 :00 A.M. IST and ends on Thursday, August 11, 2022 at 5:00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, August 05, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, August 05, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and



Type of shareholders	Login Method
	<p>you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <ol style="list-style-type: none"> If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.





Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

- B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***



5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
- b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to yvavifcs@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request by email to evoting@nsdl.co.in





Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@bhagirad.com and evoting@nsdl.co.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@bhagirad.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies,

Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following explanatory Statement sets out all the material facts relating to the Ordinary Business mentioned in Item No. 4 of the Notice of 29th Annual General Meeting:

Item No. 4.

The Board, at its meeting held on May 26, 2022, recommended for the appointment of M/s. R. Kankaria & Uttam Singhi, Chartered Accountants (M.No. 022051/ICAI), Address: 6-3-1090/C-4, Raj Bhavan Road, Somajiguda, Hyderabad, 500 082, as the Statutory Auditors of the Company, in place of the retiring Statutory Auditors, M/s. S. Singhvi & Co., Chartered Accountants, Hyderabad (FRN. 003872S), to hold office for a term of five consecutive years i.e from the conclusion of 29th AGM in FY 2022-2023 till the conclusion of the 34th AGM in FY 2027- 2028 at such remuneration, as recommended by the Audit Committee to the Board and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

The Audit Committee and the Board recommends the ordinary resolution for their appointment as set out in item no.4 of this notice taking into account their credentials and also based on the evaluation of the quality of audit work done by them.

Credentials

R Kankaria & Uttam Singhi, Chartered Accountants established in the year 1982 is a partnership firm with its office at 6-3-1090/C-4, Raj Bhawan Road, Somajiguda, Hyderabad - 500 082. The firm provides assurance, tax and advisory services through its two partners and two qualified employees, partners have rich experience of more than 3 decades. The firm is registered with the Institute of Chartered Accountants of India ("ICAI") and Comptroller and Auditor General of India.

The terms and conditions of appointment of the statutory auditor and the proposed fees are as follows

- a. Term of Appointment: term of 5 consecutive years from the conclusion of 29th AGM in FY 2022-2023 till the conclusion of the 34th AGM in FY 2027- 2028
- b. Proposed Fee: The proposed remuneration to be paid to the Statutory Auditors for the financial year ending March 31, 2023, is ₹ 10,00,000 (Rupees Ten Lakhs only) plus applicable taxes and out-of-pocket expenses.

The remuneration to be paid to statutory auditors for the remaining term shall be mutually agreed between the Board of Directors and Statutory Auditors from time to time as per the recommendations of the Audit Committee.

The fees shall be commensurate with the knowledge, expertise, industry experience, time and efforts required to be put in by them, which shall be in line with the industry benchmarks.

None of the directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 4 of this notice.

The Board recommends the resolution set forth in the item no. 4 of this note for the approval of the members by way of an ordinary resolution.

The following explanatory Statement sets out all the material facts relating to the Special Business mentioned in Item No. 5, 6, 7 of the Notice of 29th Annual General Meeting:

Item No. 5.

Ratification of Remuneration to be paid to the Cost Auditors for the financial year 2022-23

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on May 26, 2022, has approved the appointment of M/s. Sagar & Associates, Cost accountants in practice, Hyderabad, to conduct the Cost audit of the Company for the Financial Year 2022-23 at a remuneration of ₹ 1,00,000 (Rupees One Lakh) excluding applicable taxes and reimbursement of actual out of pocket expenses in performance of their duties

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for the ratification of the remuneration payable to the Cost Auditors for the Financial Year 2022-23 as approved by the Board of Directors on the recommendation of the Audit Committee.

Accordingly, consent of the members is sought for item no. 5 of this notice by way of an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year 2022-23.

None of the Directors or the Key Managerial Personnel of the Company or their relatives are in any way concerned or interested financially or otherwise, in the resolution as set out in item no. 5 of this notice.

Item No. 6.

The members are informed that on the recommendation of the Board, at the 27th Annual General Meeting (AGM) held on Friday, September 04, 2020, the members approved, pursuant to the provisions of Sections 196, 197, 198, 201 and



203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination and Remuneration Committee, the re-appointment of Mr. S. Chandra Sekhar (DIN: 00159543) as Managing Director of the Company, for a period of five years effective from June 01, 2020 to May 31, 2025 with revision in remuneration for a period of three years effective from June 01, 2020 to May 31, 2023 including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year on the following terms and conditions, with liberty to the Directors / Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Directors and Mr. S. Chandra Sekhar.

Terms and Conditions:

1.	Gross Salary : ₹ 7,50,000/ Per month
2.	Gratuity, Provident Fund, Leave as applicable to the employees of the Company
3.	Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer.
4.	Chauffeur driven Car and telephone facility
5.	Commission of 3 % of net profit subject to a maximum amount of 50% of Annual Gross salary.

- the overall managerial remuneration payable to Mr. S. Chandra Sekhar shall be such amount as may be fixed by the Board from time to time on recommendation of the Nomination and Remuneration Committee but not exceeding the above mentioned limits at any point of time and that the terms and conditions of the aforesaid remuneration payable to the said Managing Director be varied/altered/ revised within said overall limit, in such manner during the aforesaid period of 3 (three) years."

The members are informed that considering the contribution of Mr. S. Chandra Sekhar as the Managing Director of the company and the progress made by the Company under his leadership and guidance, and on the recommendation of the Nomination and Remuneration Committee, the Board recommends to the members to approve to revise the remuneration to be paid to Mr. S.Chandra Sekhar, Managing

Director of the company for a period from 01.06.2022 to 31.05.2024 including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year on the following terms and conditions:

Terms and Conditions:

Gross Salary	₹ 1,44,00,000 (i.e ₹ 12, 00, 000 / Per month)
Provident Fund	₹ 10,36,800
Gratuity, Leave	As applicable to the employees of the Company
Commission	1.5 % of Net Profit
Health Insurance cover	Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer.

- Where if in any Financial Year, during the period from 01.06.2022 to 31.05.2024, the Company has no profits or profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time based on the applicable rules and regulations, shall be paid as minimum remuneration"

The remuneration payable to Sri. S. Chandra Sekhar, Managing Director of the company for a period from 01.06.2022 to 31.05.2024 may exceed 5% of the Net Profits of the company calculated under section 198 of the Companies Act, 2013, limits as prescribed under Section 197 of the Act read with rules made thereunder as amended from time to time and the total managerial remuneration payable to all the executive director(s)/ managers of the Company taken together in any financial year shall not exceed the limit of 10% of net profit and overall managerial remuneration payable to all directors/ managers shall not exceed the limit of 11% of net profit of the Company as prescribed under Section 197 of the Act read with rules made thereunder or other applicable provisions or any statutory modifications thereof.

The company has not defaulted in payment of dues to any bank or public financial institution or any other secured creditor.

Statement containing additional information as required under Schedule V of the Companies Act, 2013:

I General Information

I	General Information	
1.	Nature of Industry	Agro Chemicals Industry
2.	Date of commencement of commercial production	The Company is in operation since 1993
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable



I General Information												
4.	Financial performance based on given indicators	Performance for F.Y. 2021-22: Sales Revenue: ₹43,566.74 lakhs Profit after Tax: ₹3,590.26 lakhs EPS: ₹43.21										
5.	Foreign investments or collaborations, if any:	Nil										
II Information about the appointee												
1.	Background details	Sri. S. Chandra Sekhar, has been at the helm of company affairs since June 2012. He holds a master's degree in chemical engineering from the University of Illinois, Chicago. He joined the R&D department of the Company on completion of his education in the year 2002. Besides ably managing the affairs of the Company at the helm, he has also been instrumental in developing / improving a significant number of non-infringing processes for the products commercialized by the Company and for those in the pipeline										
2.	Past remuneration	<table border="1"> <tbody> <tr> <td>1.</td> <td>Gross Salary : ₹ 7,50,000/ Per month</td> </tr> <tr> <td>2.</td> <td>Gratuity, Provident Fund, Leave as applicable to the employees of the Company</td> </tr> <tr> <td>3.</td> <td>Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer.</td> </tr> <tr> <td>4.</td> <td>Chauffeur driven Car and telephone facility</td> </tr> <tr> <td>5.</td> <td>Commission of 3 % of net profit subject to a maximum amount of 50% of Annual Gross salary.</td> </tr> </tbody> </table>	1.	Gross Salary : ₹ 7,50,000/ Per month	2.	Gratuity, Provident Fund, Leave as applicable to the employees of the Company	3.	Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer.	4.	Chauffeur driven Car and telephone facility	5.	Commission of 3 % of net profit subject to a maximum amount of 50% of Annual Gross salary.
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4.	Chauffeur driven Car and telephone facility											
5.	Commission of 3 % of net profit subject to a maximum amount of 50% of Annual Gross salary.											
3.	Recognition or awards:	Nil										
4.	Job profile and his suitability	Sri. S. Chandra Sekhar has been associated with the company since the year 2002 in various capacities including as the Head of the DSIR recognized R&D department. He was appointed as the Managing Director of the Company in the year 2012. The company has about 20 products in its product basket. The process technologies for most of these products have been developed In-House under the guidance of Mr. S. Chandra Sekhar.										
5.	Remuneration proposed	As mentioned in the Resolution stated above										
6.	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The executive remuneration in the industry is on the rise. The 'Nomination and Remuneration Committee' constituted by the Board in terms of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 perused remuneration of managerial persons prevalent in the industry and other companies comparable with the size of the Company; industry benchmarks in general; financial position of the Company; past performance, past remuneration, profile and responsibilities of Mr. S. Chandra Sekhar, before approving the remuneration as proposed herein before.										
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Sri. S. Chandra Sekhar is the promoter of the company. He is the spouse of Smt. S. Lalitha Sree, Non-Executive Non Independent Director in the company. Except this, Sri. S. Chandra Sekhar is not related to any other Director and Key Managerial personnel of the Company. Sri. Chandra Sekhar, does not have any pecuniary relationship with the Company other than the above.										



III Other Information		
1.	Reasons of loss or inadequate profits	At present, the Company is having adequate profits. However, the remuneration is proposed for a period of two years i.e from 01.06.2022 to 31.05.2024, the future trend in the profitability will largely depend on business environment in the domestic and global markets, cost of inputs and general state of economy as a whole. Therefore, the limits specified under Section 197 read with Schedule V of the Companies Act 2013 and the Listing Regulations, may be exceeded during aforesaid period

Accordingly, consent of the members is sought for item no. 6 of this notice by way of a Special Resolution.

Except Sri. S. Chandra Sekhar, Managing Director of the company and Smt. S. Lalitha Sree, Non - Executive Non Independent Director, none of the other Directors or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution as set out in item no. 6 of this notice.

Item No. 7.

Members are informed that Sri. Dodda Sadasivudu holding 78,564 Equity shares (0.76% of equity share capital of the Company), one of the Promoters of the Company and Smt. Kudaravalli Sri Lakshmi, holding 30,264 Equity shares (0.29% of equity share capital of the Company), one of the persons belonging to Promoter Group of the company, vide their letters dated 25th May, 2022 had requested for reclassifying them from "Promoter" Category to the "Public" Category.

The Request letters dated May 25, 2022, received from the promoters were intimated to the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited (NSE) on May 25, 2022 and the same were placed before the Board of Directors at its meeting held on May 26, 2022.

Members are also informed that Sri. Dodda Sadasivudu and Smt. Kudaravalli Sri Lakshmi had, vide their request letters dated May 25, 2022 confirmed compliance with the conditions prescribed under Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as mentioned below:

As promoter/person belonging to promoter group seeking re- classification,

- i. They confirmed that:
 - they along with persons related to them together:
 - a. do not hold more than ten percent of the total voting rights in the company
 - b. do not exercise control over the affairs of the company, directly or indirectly

- c. do not have any special rights with respect to the company through formal or informal arrangements including through any shareholder agreements
- d. are not being represented on the board of directors (including not having a nominee director) of the Company
- e. do not act as a key managerial person of the Company
- f. are not 'wilful defaulter(s)' as per the Reserve Bank of India Guidelines
- g. are not fugitive economic offender
- ii. There are no pending regulatory actions against them.
- iii. Shall continue to comply with the conditions mentioned at sub-clauses (i), (ii) and (iii) of clause (b) of Regulation 31A(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at all times from the date of re-classification, failing which, shall be reclassified as promoter/person belonging to the promoter group of the company.
- iv. Shall comply with the conditions mentioned in the of sub-clauses (iv) and (v) of clause (b) of Regulation 31A(3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for a period of not less than three years from the date of reclassification, failing which, shall be reclassified as promoter/person belonging to a promoter group of the company.

Members are also informed that Sri. Dodda Sadasivudu and Smt. Kudaravalli Sri Lakshmi, seeking reclassification have been fulfilling the conditions specified under the Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are eligible for the same. Members are further apprised of the fact that Sri. Dodda Sadasivudu and Smt. Kudaravalli Sri Lakshmi are not associated or involved in the affairs of the company and do not exercise any control on the affairs of the Company either directly or indirectly. Also, none of them have any kind of special rights in the Company.



The Post shareholding of Promoter and Promoter group after reclassification as mentioned above will be as under:

Promoter and Promoter Group	Shareholding prior to reclassification	Shareholding post reclassification
	24.57%	23.52%

Members may also note that the Company is compliant with the requirement of minimum public shareholding as required under Regulation 38 of the SEBI Listing Regulations, and it does not have trading in its shares suspended by the stock exchanges and does not have any outstanding dues to the Securities and Exchange Board of India, the Stock Exchanges or the Depositories.

Further, promoters seeking reclassification and persons related to promoters seeking reclassification as provided under Regulation 31A (1) (a) & (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, seeking reclassification shall not vote to approve such reclassification request.

Members may note that none of the other promoters are related to the Promoter seeking reclassification from "Promoter" Category to "Public" Category, except for Sri. Kudaravalli Rama Krishna, member of promoter group of the company, being spouse of Smt. Kudaravalli Sri Lakshmi and late K Baby, her late mother-in law.

Members may further note that on the basis of the rationale and the confirmation provided by Sri. Dodda Sadasivudu and Smt. Kudaravalli Sri Lakshmi,

in accordance with provisions of Regulation 31A of the SEBI Listing Regulations, the Board of Directors of the Company at its meeting held on May 26, 2022 had approved unanimously the request for reclassification of Sri. Dodda Sadasivudu holding 78,564 Equity shares (0.76% of equity share capital of the Company), one of the Promoters of the Company and Smt. Kudaravalli Sri Lakshmi, holding 30,264 Equity shares (0.29% of equity share capital of the Company), one of the persons belonging to Promoter Group of the company from "Promoter" Category to the "Public" Category, subject to the approval of Members and Stock Exchanges where shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited (NSE).

Members may note that as provided under Regulation 31A SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the request of the promoter(s) seeking reclassification requires approval of the shareholders of the company by way of an ordinary resolution

Accordingly, the Board recommends the resolution at Item No. 7 for approval of members by way of an Ordinary Resolution.

Post approval from the members, the Company will take appropriate steps including seeking approvals from Stock Exchanges where shares of the Company are listed

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution as set out in item no. 7 of this notice.

Registered Office:

8-2-269/S/3/A
 Plot No. 3, Sagar Society,
 Road No.2, Banjara Hills,
 Hyderabad - 500 034,
 CIN: L24219TG1993PLC015963
 Ph: 040 42221212 / 2323
 E-mail: info@bhagirad.com

Date: May 26, 2022
 Place: Hyderabad

By Order of the Board of Directors
Bhagiradha Chemicals and Industries Limited

Sharanya. R
 Company Secretary & Compliance Officer
 M. No: ACS-63438



**ANNEXURE-1****Information of Director seeking re-appointment under Section 152 of the Companies Act, 2013, Regulation 36(3) of the SEBI (Listing Obligations and Requirements) Regulations, 2015 and Secretarial Standard-2**

Brief resume of the Director, nature of his/her expertise in specific functional areas, names of Companies in which he/she holds directorships and chairmanships of Board / Committees and their shareholding in the Company are provided below:

I	Name of the Director	Singavarapu Lalitha Sree
	Director Identification Number	06957985
	Date of Birth	3 January 1978
	Age	44 years
	Date of First Appointment	11 August 2014
	Profile / Qualifications & Experience	Post Graduate in Commerce. Hails from a business family and has been on the Board of the Company for 7 years. She possesses good business acumen.
	Remuneration Proposed to be paid**	Will be entitled to Sitting Fees for attending the Board and Committee Meetings of the Company.
	List of Directorships held in other Companies/ LLP as on 31/03/2022**	NIL
	Chairman/Member of the Committees of the Boards of other companies in which she is Director as on 31/03/2022	Nil
	Shareholding in the Company	60,000 Equity Shares as on 31.03.2022
	Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company	Spouse of Sri. S.Chandra Sekhar , Managing Director of the company

**Directorship includes Directorship of other Indian Companies and Committee memberships includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (Whether Listed or not).

**Information pertaining to remuneration paid to the Director who is being appointed/ re-appointed and the number of Board Meetings attended by the Director during the year 2021-22 has been provided in the Corporate Governance Report forming part of the Annual Report.

By Order of the Board of Directors
Bhagiradha Chemicals and Industries Limited

Registered Office:

8-2-269/S/3/A
Plot No. 3, Sagar Society,
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CIN: L24219TG1993PLC015963
Ph: 040 42221212 / 2323
E-mail: info@bhagirad.com

Date: May 26, 2022
Place: Hyderabad

Sharanya. R
Company Secretary & Compliance Officer
M. No: ACS-63438



BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Ninth (29th) Annual Report of your Company together with the audited Financial Statements for the year ended 31st March, 2022.

Financial Highlights

The Financial Statements for the year ended 31.03.2022 have been prepared in accordance with Indian Accounting Standards ("Ind AS") consequent to the Notification of the Companies (Indian Accounting Standards) Rules, 2015 issued by The Ministry of Corporate Affairs:

Financial Results – Standalone

Particulars	(₹ in Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Net Sales	43,566.74	31,789.77
Other income	87.07	63.81
Total Income	43,653.81	31,853.58
PBDIT	6,919.00	4,764.12
Depreciation	(864.89)	(814.37)
Interest	(907.80)	(826.42)
Profit Before Exceptional Items and Tax	5,146.31	3,123.33
Exceptional Items	-	105.40
Profit after Exceptional Items and Before Tax	5,146.31	3,228.73
Provision for tax (Incl. deferred tax)	(1,556.06)	(882.31)
Profit after tax	3,590.26	2,346.42
Earnings per share (EPS)	43.21	28.24
Diluted (EPS)	43.21	28.24

Performance Review and State of Affairs:

The revenue from operations for the FY 2021-22 was ₹43,566.74 lakhs as against the previous year's revenue from operations of ₹31,789.77 lakhs in FY 2020-21. The PAT attributable to shareholders for FY 2021-22 was ₹3,590.26 lakhs as compared to the previous year's PAT of ₹ 2,346.42 lakhs. The Profit before Tax was ₹ 5,146.31 lakhs as against the previous year's PBT of ₹ 3228.73 lakhs. The Earnings per Share stood at ₹ 43.21 for the year under review as against ₹ 28.24 per share of the previous year.

The Domestic and Export Sales for the year increased by 34.04% and 47.40% respectively. Domestic Sales growth is largely driven by volume & mix and is broad based.

Change in the nature of the business, if any:

There is no change in the nature of the business of the Company and its subsidiary during the year under review.

Dividend

The Board of Directors at its meeting held on 26th May, 2022, recommended a final dividend of ₹ 2.00/- per equity share of face value of ₹ 10/- each (i.e. 20%) and the same shall be paid subject to approval of the shareholders at the ensuing 29th Annual General Meeting, making a total dividend of ₹ 3/- @ 30% per equity share for the financial year ended March 31, 2022 including an interim dividend of ₹ 1/- @ 10% per equity share declared earlier during the Financial Year 2021-22.

Details of Interim Dividend Paid during the year:

Particulars	Approval Date	Payment Date	Dividend per equity share
1 st Interim Dividend for FY 2021-22	30.10.2021	19-11-2021	₹ 1/- @ 10 %

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividend paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly, make the payment of the dividend after deduction of tax at source.

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 6, 2022 to Friday, August 12, 2022 (both days inclusive) for ascertainment of shareholders eligible to receive dividend for the financial year ended March 31, 2022.

Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has formulated and adopted a Dividend Distribution Policy with the objective of providing clarity to its stakeholders on the profit distribution strategies of the Company. During the year, the said Policy has been reviewed by the Board of Directors of the Company and hosted on the website of the Company at <https://www.bhagirad.com/corporate.html>

Transfer of Un-Claimed Dividends/Shares

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection



Fund ("IEPF"), constituted by the Central Government. The following are the year wise dividends remaining unclaimed as on 31.03.2022

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2022 (In ₹.)	Due Date for transfer to IEPF
2014-15	08-08-2015	94,677	12-09-2022
2018-19	09-08-2019	62,246	13-09-2026
2021-22 (interim dividend)	30-10-2021	8,572	30-11-2028

• Transfer of unclaimed dividend to IEPF during the year under review

Pursuant to Section 124(5) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the unclaimed/unpaid dividend amount of ₹ 80,886/- (Rupees Eighty Thousand Eight Hundred and Eighty-Six only) for the year 2013-14 was transferred to the Investor Education and Protection Fund during the financial year 2021-22.

• Transfer of shares to IEPF

In compliance with the provisions of Section 124 of the Companies Act, 2013, the Company has transferred 3,185 no of equity shares belonging to 24 members of the company to Investor Education and Protection Fund Authority (IEPF) of those members who have not claimed the dividends for a continuous period of 7 years. Details of shares transferred to IEPF have been uploaded on the website of the Company.

Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the shares (in respect of which the dividend has not been claimed for consecutive seven years) and unclaimed/unpaid dividend pertaining for the financial year 2014-15 shall be transferred to the Investor Education and Protection Fund during the financial year 2022-23. The members who have not claimed their dividend are requested to claim it before September 12, 2022.

The shareholders whose shares got transferred to IEPF Authority shall claim the dividends and shares from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website at www.iepf.gov.in as per the procedure prescribed thereon.

Smt. Sharanya. R is the Nodal Officer who is appointed by the Company under the provisions of IEPF.

Transfer to reserves

The closing balance of the retained earnings of the Company for FY 2021-22, after all appropriation and adjustments stood at ₹ 18,183.65 lakhs.

Listing on National Stock Exchange of India Limited (NSE)

The equity shares of your Company got listed on National Stock Exchange of India Limited with effect from October 18, 2021

Share capital

During the year under review, the Authorised share capital of the company was increased from ₹10,00,00,000 (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crore) Equity Shares having face value of ₹10/- each to ₹ 15,00,00,000 (Rupees Fifteen Crores Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares having face value of ₹ 10/- each with the approval of the shareholders in the EGM conducted through postal ballot on February 5, 2022 and the paid up capital of the company as on 31.03.2022 stood at ₹ 8,30,97,000 divided into 83,09,700 equity shares of ₹ 10/- each. During the financial year ended on 31.03.2022, the Company has not raised any funds in the form of equity. During the FY 2021- 22, your Company has not issued any further shares. The Company has paid listing fee for the financial year 2022-23, to BSE Limited and National Stock Exchange of India Limited (NSE) where its shares are listed.

After the year under review, the Company has issued and allotted (a) 19,55,083 Equity Shares of face value of ₹10.00 each at a price of ₹ 400.00 per Share (including a premium of ₹ 390.00 per Share) on 10th May, 2022 on Rights basis to the existing shareholders as on April 09, 2022 and (b) 1,40,700 Equity Shares of face value of ₹ 10.00 each at a price of ₹ 400.00 per Share (including a premium of ₹ 390 per Share) on 10 May, 2022 through the same Issue under Employee Reservation Portion.

The paid up share capital of the Company thus increased from ₹ 8,30,97,000 divided into 83,09,700 equity shares of ₹ 10/- each to ₹ 10,40,54,830 divided into 1,04,05,483 equity shares of ₹ 10/- each in the current year.

Buy Back of shares and disinvestment

The Company has not bought back any of its securities and there was no disinvestment during the Financial Year ended March 31, 2022.

Consolidated Financial Statements

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013



and other relevant provisions of the Companies Act, 2013. The Consolidated Financial Statements for the Financial Year ended 31st March 2022 form part of the Annual Report.

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

There are no material changes and commitments affecting the financial position of the company, which occurred after the end of the financial year i.e., March 31, 2022 except for the following:

After the year under review, the Company has issued and allotted (a) 19,55,083 Equity Shares of face value of ₹10.00 each at a price of ₹ 400.00 per Share (including a premium of ₹ 390.00 per Share) on 10th May, 2022 on Rights basis to the existing shareholders as on April 09,2022 and (b) 1,40,700 Equity Shares of face value of ₹ 10.00 each at a price of ₹ 400.00 per Share (including a premium of ₹ 390 per Share) on 10 May, 2022 through the same Issue under Employee Reservation Portion.

The paid up share capital of the Company thus increased from ₹ 8,30,97,000 divided into 83,09,700 equity shares of ₹ 10/- each to ₹ 10,40,54,830 divided into 1,04,05,483 equity shares of ₹ 10/- each.

Impact of COVID-19

The COVID-19 has impacted lives and livelihood all around. As a good Corporate Citizen, the company pledged its support towards India's fight against COVID-19 by lending a hand to the Government's efforts to endure the social and economic impacts of the Coronavirus pandemic.

Your Company continually assessed and took proactive measures to counter the COVID-19 pandemic and engaged closely with its employees, partners, customers and society to promote safe operations. It worked with the Government and local regulatory bodies and supported them through various initiatives in combating the virus.

The company has implemented COVID-19 safety protocols across its operations to help protect and support its employees, customers and suppliers. It has created Standard Operating Procedures to be followed across its operations including Supply chain, Marketing and other areas. Thorough thermal scanning and sanitisation protocols continued during the year at the plant and offices. Regular Monitoring of employees for signs and symptoms through voluntary disclosure is still in place.

During the financial year ended 31.03.2022, by the second half of the year, all the functions, including sales and distribution, procurement, supply chain, logistics and corporate functions were brought to near-normal level, duly following safety guidelines and without any material adverse impact. The Company continues to make efforts to minimize adverse impact on its operations and performance due to COVID-19. Your Company is committed to support the Government and other authorities to extend its helping hand in the fight against COVID-19 pandemic.

Management Discussion and Analysis

In terms of the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, the Management's Discussion and Analysis is provided in a separate section and forms an integral part of this Report.

Directors

The Composition of the Board of Directors as on 31.03.2022 is as under:

Name	Designation
Sri Satyanarayana Raju Kanumuru	Chairman, Non-Executive Independent Director
Sri Chandra Sekhar Singavarapu	Managing Director
Sri Ketan Chamanlal Budh	Whole Time Director
Sri Sudhakar Kudva	Non-Executive Independent Director
Smt Lalitha Sree Singavarapu	Non-Executive Non Independent Director
Sri G.S.V. Krishna Rao	Non-Executive Independent Director
Sri Kishor Shah	Non-Executive Independent Director
Dr G. Aruna	Non-Executive Independent Woman Director

None of the directors of the company is disqualified under the provisions of the Companies Act, 2013 ('Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Declaration from Independent Directors

The independent directors have submitted the declaration of independence stating that they meet the criteria of independence as prescribed in sub-section (6) of Section 149 of the Companies Act, 2013 as well as under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in chemicals/ manufacturing industry, strategy, auditing, tax and risk advisory services, financial services, corporate governance, etc. and that they hold standards of integrity. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct for Board members and Senior Management and Codes under SEBI (Prohibition of Insider Trading) Regulations, 2015.

Change in Directors:

During the year under review, there was a change in the category of directorship of Sri K S Raju, (DIN: 00008177) from Non-Executive Director to Independent Non-Executive Director (in the Chairman Category) and he was appointed as a Non-Executive Independent Director (in the category of Chairman of the Company) to hold



office for a term up to 3 (three) consecutive years from December 14, 2021 to December 13, 2024.

During the year under review Sri. D. Sadasivudu, Non-Executive – Non Independent Director who was to retire by rotation, had not opted for re-appointment and retired from the Board w.e.f 10.08.2021.

Pursuant to Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Smt. Singavarapu Lalitha Sree (DIN: 06957985), Non-Executive Non-Independent Director of the Company, retires by rotation and being eligible, offers herself for re-appointment. Her appointment is placed for approval of the members and forms part of the notice of the 29th Annual General Meeting. The information about the Director seeking re-appointment as per the Secretarial Standards on General Meetings and Regulation 36 (3) of Listing Regulations has been given in the notice convening the 29th AGM.

Key Managerial Personnel ('KMP'):

During the year under review, the Company is having the following persons as Key Managerial Personnel.

- Sri S. Chandra Sekhar, Managing Director
- Sri Ketan Chamanlal Budh, Whole time Director
- Sri A. Arvind Kumar, Chief Executive Officer
- Sri B. Krishna Mohan Rao, Chief Financial Officer
- Smt Sharanya. R, Company Secretary & Compliance Officer*

*Smt. Sharanya. R, Company Secretary & Compliance Officer (appointed on February 26, 2022)

*During the year under review, Smt Saheli Banerjee (ACS: 44382), Company Secretary and Compliance officer had resigned w.e.f. February 25, 2022 and Smt. Sharanya. R was appointed as the Company Secretary and Compliance Officer w.e.f February 26, 2022.

Meetings of the Board

During the period under review, six meetings of the Board of Directors of the Company were held on 04-05-2021, 12-08-2021, 30-10-2021, 14-12-2021, 04-01-2022, 29-01-2022, in accordance with the provisions of the Act. The date(s) of the Board Meeting and attendance by the directors are given in the Corporate Governance Report forming an integral part of this report.

The Company also adopted Governance Guidelines on Board Effectiveness which comprise the aspects relating to Composition of Board and Committees, Terms of Directors Nomination, Appointment, Development of Directors, Code of Conduct, Effectiveness of Board and Committees, review and their mandates.

Meeting of Independent Directors

A separate meeting of the Independent Directors was held on 04th May , 2021, inter-alia, to discuss evaluation of the Performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timeliness of flow of information between the management and the Board that are necessary for the Board to effectively and reasonably perform its duties.

Committees of the Board

During the period under review, the Board has five committees i.e. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee.

A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this Annual Report. The composition of the committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

S.No	Name of the Committee	Composition of the Committee	Highlights of duties, responsibilities and activities
1.	Audit committee	Sri Sudhakar Kudva (C) Sri Chandra Sekhar Singavarapu (M) Sri Krishna Rao S V Gadepalli (M) Sri Kishor Shah (M)	All recommendations made by the audit committee during the year were accepted by the Board. Reviewing with the management, the quarterly financial statements before submission to the Board for approval. Approval or any subsequent modification of transactions of the Company with related parties. Reviewing with the management, the performance of statutory auditors, internal auditors, adequacy of internal control systems, etc.
2.	Nomination and Remuneration Committee	Sri Sudhakar Kudva (C) Sri Satyanarayana Kanumuru Raju (M) Sri Krishna Rao S V Gadepalli (M)	The committee oversees and administers executive compensation, operating under a written charter adopted by the Board of Directors. The nomination and remuneration committee has framed the nomination and remuneration policy.



S.No	Name of the Committee	Composition of the Committee	Highlights of duties, responsibilities and activities
3.	Corporate Social Responsibility Committee	Sri Sudhakar Kudva (C) Sri Chandra Sekhar Singavarapu (M) Smt Lalitha Sree Singavarapu (M)	To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under. To monitor the implementation of the CSR Policy of the Company from time to time
4.	Stakeholders Relationship Committee	Sri Krishna Rao S V Gadepalli (C) Sri Sudhakar Kudva (M) Sri Singavarapu Chandrasekhar (M)	The committee reviews and ensures redressal of investor grievances. The committee noted that all the grievances of the investors have been resolved during the year.
5.	Risk Management Committee	Sri Sudhakar Kudva (C) Sri Krishna Rao S V Gadepalli (M) Dr G Aruna (M)	Framing, implementing and monitoring the risk management framework of the Company; Identification, prioritization, mitigation and monitoring of the risk reported. Periodical review and assessing the quality, integrity and effectiveness of the risk management system.

C- Chairperson M- Member

Policies

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the corporate policies are available on the Company's website (www.bhagirad.com). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

In addition to its Code of Conduct and Ethics, key policies that have been adopted by the Company are as follows:

Name of the policy	Brief description	Weblink
Whistle-blower Policy (Policy on vigil mechanism)	The Company has adopted the whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics. It also provides for adequate safeguards against victimization of employees who availed the mechanism and also provides for direct access to the Chairperson of the Audit Committee.	https://www.bhagirad.com/corporate.html
The Code of Conduct for prevention of Insider Trading and Code of fair disclosure of unpublished price sensitive information	The Company has adopted a Code of Conduct to Regulate, Monitor & Report Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as per the SEBI (Prohibition of Insider Trading) Regulation 2015, with a view to regulate trading in securities by the Directors and Designated Persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed and other certain situations. All Board of Directors and the designated employees have confirmed compliance with the Code.	
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the directors, key managerial personnel and senior management of the Company.	



Name of the policy	Brief description	Weblink
Corporate Social Responsibility Policy	The policy outlines the Company's strategy to bring about a positive impact on Society through programs relating to hunger, poverty, education, healthcare, environment etc., as per the provisions of the Companies Act, 2013.	
Related Party Transaction Policy	The policy regulates all transactions between the Company and its related parties	
Policy on Preservation of Documents	The policy deals with the preservation of corporate records of the Company.	
Policy on Determination of Materiality of Events	The Policy is to determine materiality of events or information relating to the Company and to ensure timely and accurate disclosure on all material matters concerning the Company.	
Risk Management Policy	This Policy is to identify and manage threats that could severely impact organization, establish process for the management of risks faced by the organization and establish effective system of risk identification, analysis, evaluation and treatment within all areas and all levels;	
Archival Policy	The policy deals with the retention and archival of corporate records of the Company.	
Business Responsibility Policy	This Policy is based on principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of a Business published by the Ministry of Corporate Affairs, towards conducting business by a company.	
Policy for Determining Material Subsidiaries	This policy is framed as per requirement of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and intended to ensure that Board of Directors has overall supervision of functioning of Subsidiaries of the Company.	
Policy on Board Diversity	The Company recognizes and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates.	
Dividend Distribution Policy	This Policy endeavors for fairness, consistency and sustainability while distributing profits to the shareholders	
Policy on Prohibition of Sexual Harassment	The policy is designed to take effective measures to avoid and to eliminate and if necessary to impose punishment for any sexual harassment at workplace.	
Code of Conduct for the Directors and Senior Management	Code of conduct for the directors and senior management for discharging their duties with due diligence and care	

<https://www.bhagiradha.com/corporate.html>

Subsidiaries, Associates and Joint Ventures

During the year under review, the company has one Wholly Owned Subsidiary Company namely, M/s. Bheema Fine Chemicals Private Limited (CINU24299TG2020PTC142050).

During the year, the Board of Directors reviewed the affairs of the subsidiary. The subsidiary is in its nascent stage and yet to commence commercial operations. The audited consolidated financial statement of the Company

prepared in accordance with the applicable Accounting Standards along with all relevant documents and the Auditors' Report forms part of this Annual Report.

No other Company is an associate/joint venture of the Company as on 31st March, 2022.

A statement containing the highlights of performance of the Wholly Owned Subsidiary is given in Form AOC-1 annexed as Annexure I of this report (which also forms part of the Financial Statements)



The gist of financial performance of the Subsidiary Company is as follows.

₹ In Lakhs	
Particulars	31/03/2022
Total Income	-
Total Expenses	13.35
Profit/ (Loss) before tax	(13.35)
Tax expense Reversal of taxes of earlier years	-
Current tax expense	-
Deferred tax benefit	-
Profit/ (loss) for the year	(13.35)

Revision of Financial Statements

There was no revision of Financial Statements (Standalone & Consolidated) and Board Reports during the year under review except that the financial figures are presented in lakhs for the financial year 2021-22 and the figures corresponding to the previous year are also presented in lakhs.

Transactions with the Related Parties

The particulars of contracts or arrangements with related parties as per Section 188 of the Companies Act, 2013 and clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 and rules made thereof and as per the Related Party Transaction (RPT) policy of the Company during the financial year ended March 31, 2022 in prescribed Form AOC-2 are annexed to this Board's Report at Annexure-II.

Further, there are no materially significant related party transactions during the year under review with Promoters, Directors, Key Managerial Personnel and their relatives, which may have potential conflict with interest of the company at large. The related party transactions were placed before the audit committee and the Board at their respective meetings for approval. All related party transactions entered during the year were in the ordinary course of business and on arm's length basis. The details of the related party transactions during the year are part of the financial statements forming part of this Annual Report.

Audit Committee

The Audit Committee comprises of four members. The Committee is chaired by Sri. Sudhakar Kudva, Non-Executive Independent Director. The Committee comprises of majority of Independent Directors. Details of the role and responsibilities of the Audit Committee, the particulars of Meetings held and attendance of each Member at such Meetings are given in the Report on Corporate Governance, which forms part of this Annual Report.

There were no instances of any disagreement between the Committee and the Board and all recommendations of the Audit Committee made during the year under review were accepted by the Board.

Auditors and Auditors' Report

Statutory Auditors

M/s. S. Singhvi & Co., Chartered Accountants, Hyderabad (FRN. 003872S) were appointed as the statutory auditors of the company at the 24th Annual General Meeting held on 26th September, 2017 for a period of five years viz. from the conclusion of the 24th Annual General Meeting (AGM) till the conclusion of 29th Annual General Meeting of the company.

The Board of Directors of the Company at its meeting held on May 26, 2022, on the Recommendation of the Audit Committee, made its recommendation to the members for appointment of M/s. R. Kankaria & Uttam Singhi. Chartered Accountants, (FRN: 000442S), 6-3-1090/C-4, Raj Bhavan Road, Somajiguda, Hyderabad, 500082, as the Statutory Auditors of the Company for a term of 5 consecutive years i.e. after the conclusion of 29th Annual General Meeting till the conclusion of 34th Annual General Meeting, subject to the approval of the shareholders in the ensuing Annual general Meeting pursuant to Section 139 of the Companies Act, 2013 and rules made thereunder as amended from time to time, at a remuneration to be decided by the Board of Directors of the company from time to time.

Accordingly, a resolution, proposing the appointment of M/s. R. Kankaria & Uttam Singhi. Chartered Accountants, (FRN: 000442S), 6-3-1090/C-4, Raj Bhavan Road, Somajiguda, Hyderabad, 500082, as the Statutory Auditors of the Company for a term of 5 consecutive years i.e. from the conclusion of 29th Annual General Meeting till the conclusion of 34th Annual General Meeting, pursuant to Section 139 of the Companies Act, 2013 and rules made thereunder as amended from time to time, at a remuneration to be decided by the Board of Directors of the company from time to time, forms part of the Notice of the 29th Annual General Meeting of the Company.

The Company has received a written consent from M/s. R. Kankaria & Uttam Singhi, Chartered Accountants to act as Statutory Auditors of the company and a certificate dated 7th May, 2022 stating that:

- The firm is eligible for appointment and is not disqualified for being appointed as auditors for a period of five years after the conclusion of the 29th AGM in FY 2022-2023 till the conclusion of the 34th AGM in FY 2027- 2028 under the Companies Act, 2013, the Chartered Accountants Act, 1949 & the rules of regulations made thereunder.
- The proposed appointment is as per the term provided under the Companies Act, 2013.
- The proposed appointment is within the limits laid down by / under the authority of Companies Act, 2013; and
- There is no order or pending proceedings relating to professional matters of conduct against the firm before the Institute of Chartered Accountants of India or any competent authority or any court



The Statutory Audit Report for FY 2021-22 given by M/s. S. Singhvi & Co., Chartered Accountants (FRN. 003872S), Statutory Auditors on the financial statement of the Company for the Financial year 2021-22 is forming part of the Annual Report. The Auditors' report does not contain any qualification, reservation or adverse remark.

Cost Auditors

As per Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the cost records are required to be audited. Based on the recommendation of the Audit Committee, your Board has appointed M/s. Sagar & Associates, Cost Accountants, Hyderabad as cost auditors for the financial year 2022-23. A resolution seeking Member's ratification for the remuneration payable to the Cost Auditor is being placed for members' approval in this Annual General Meeting.

A Certificate from M/s. Sagar & Associates, Cost Accountants, Hyderabad, has been received to the effect that their appointment as Cost Auditor of the Company, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

Secretarial Auditors

The Secretarial Audit Report issued by M/s RPR & Associates, Practising Company Secretaries, Vengala Rao Nagar, E-seva lane, S. R. Nagar, Hyderabad 500038 for the FY 2021-22 does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report in Form MR-3 received from them is annexed herewith as **Annexure III (A)**.

In terms of Regulation 24(A) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company has obtained the Secretarial Compliance certificate for FY 2021-22 from Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practising Company Secretaries which is annexed as **Annexure-III(B)** and forms part of the Annual Report. The same was also filed with the Stock Exchanges where the shares of the Company are listed.

Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has obtained a certificate from Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practising Company Secretaries which is annexed as **Annexure-III (C)**.

Pursuant to Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, based on the recommendation of the Audit Committee appointed Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practising Company Secretaries, Vengala Rao Nagar, E-seva lane, S. R. Nagar, Hyderabad 500038 as the Secretarial Auditor of the Company for the Financial

Year 2022-23 to undertake the secretarial audit for the financial year 2022-23.

Reporting of Fraud

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act, details of which were not required to be mentioned in this Report.

Credit Rating

CARE Rating has upgraded the credit rating to BBB stable for long term and CARE A3 for short term borrowings of the Company from banks during the year under review.

Corporate Social Responsibility (CSR)

The Company's CSR activities are focused on supporting socially useful programs for the welfare & Sustainable development of the society. A brief outline of the Corporate Social responsibility (CSR) policy of the Company and the initiatives taken by the Company on CSR activities during the year under review are set out in Annexure-IV of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) rules, 2014. The Company's CSR efforts included COVID-19 relief activities.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules') are enclosed as Annexure-V to this Report.

Human Resources:

Your company believes that competent and committed human resources are vitally important to attain success in the organisation. In line with this philosophy, utmost care is being exercised to attract quality resources and suitable training is imparted on various skill-sets and behaviour. Various initiatives were undertaken to enhance the competitive spirit and encourage bonding teamwork among the employees even during the COVID-19 pandemic outbreak, which have ensured uninterrupted operations and achievement of the targeted growth of the Company.

Significant Material Orders Passed by the Regulators

There were no significant material orders passed by any Regulators/Courts that would impact the going concern status of the Company and its future operations.

Proceeding under Insolvency and Bankruptcy Code, 2016

There are no proceedings, either filed by the Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal or other Courts as on 31 March, 2022.



Director's Responsibility Statement as required under Section 134 (3)(c) & (5) of the Companies Act, 2013.

Pursuant to the requirement under Section 134 (3)(c) & (5) of the Companies Act, 2013, your Directors confirm as under:

- a) In the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed and there are no material departures from the same.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year ended 31st March, 2022.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a 'going concern' basis.
- e) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Extract of the Annual Return

The Annual Return as on March 31, 2022 as required under Section 92(3) and Section 134(3) (a) of the Companies Act, 2013, is available on the Company's website at <https://www.bhagirad.com/>.

Nomination and Remuneration Policy

The Board has, on the recommendation of Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The Nomination and Remuneration Policy adopted by the Board is available on the Company's website at <http://www.bhagirad.com>

Procedure for Nomination and Appointment of Directors

The Nomination and Remuneration Committee (NRC) has been mandated to oversee and develop competency requirements for the Board based on the industry requirements and business strategy of the Company. The NRC reviews and evaluates the profiles of potential

candidates for appointment of Directors. Specific requirements for the position, including expert knowledge expected, are communicated to the appointee.

On the recommendation of the NRC, the Board has adopted and framed a Remuneration Policy for the Directors, Key Managerial Personnel and other employees pursuant to the applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). The remuneration determined for Directors is subject to the recommendation of the NRC and approval of the Board of Directors.

The Executive Directors are not paid sitting fees; however, the Non-Executive Directors are entitled to sitting fees for attending the Board / Committee Meetings.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees are in accordance with the Remuneration Policy of the Company.

Evaluation of the Board

As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Nomination and Remuneration Committee laid down criteria for performance evaluation of individual director(s), the board and its committee(s) as a whole. Accordingly, the Board had carried out an annual evaluation of the Directors individually and of the Board and its Committee as a whole.

A structured questionnaire was prepared after taking into consideration, inputs received from the Directors, covering aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman of the Board. The performance of the Directors was evaluated on parameters such as level of engagement and contribution in safeguarding the interest of the Company etc.

Familiarization Programme for Independent Directors

Your Company follows a well-structured induction programme for orientation and training of Directors at the time of their joining to provide them with an opportunity to familiarise themselves with the Company, its management, its operations and the industry in which the Company operates.

A handbook covering the role, functions, duties and responsibilities and the details of the compliance requirements expected from the Directors under the Act, and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were given and explained to the Directors as and when required.



The newly appointed Directors are informed about the Company's Vision, Core purpose, Core Values and Business operations. In addition, detailed presentations are made by Senior Management Personnel on performance of the Company at every Board Meeting.

Particulars of loans, guarantees and investments

The Company has extended unsecured loan of an amount of ₹ 105 lakhs at an interest rate of 8.5% p.a to its wholly owned subsidiary Company namely, M/s. Bheema Fine Chemicals Private Limited during this year (the outstanding as on March 31, 2022 was ₹ 40.49 lakhs)

The company has made investment of an amount of ₹ 99 lakhs by subscribing to the equity share capital of M/s. Bheema Fine Chemicals Private Limited, its Wholly Owned Subsidiary Company.

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the standalone and consolidated financial statements provided in this Annual Report.

Apart from the above the Company has not given any loans, guarantees or security in connection with loans or made any investments falling within the ambit of Section 186 of the Companies Act, 2013 read with rules made thereunder as amended from time to time.

Internal Controls

A strong internal control framework sets the tone and serves as the foundation for the implementation of corporate governance policies and guidelines. Your Company has well-defined internal audit & control systems, which are adequately monitored. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Internal control systems are improved and modified continuously to meet the changes in business conditions, statutory and accounting requirements.

The Audit Committee of the Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control system and suggest improvements if any for strengthening them.

Risk Management

During the year, the company had constituted the Risk Management Committee pursuant to Section 134 (3) (n) of the Companies Act, 2013 & Regulation 21 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

The Committee will periodically review and assess the quality, integrity and effectiveness of the risk management

system. During the period under review, the Audit Committee and the Board reviewed the elements of risk and the steps taken to mitigate the risks. In the opinion of the Board, there are no major elements of risk which have the potential of threatening the existence of the Company.

Deposits from Public

The Company has not accepted any deposits from the public falling within the ambit of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. There are no outstanding deposits as on 31st March, 2022.

Conservation of energy, Technology absorption, Foreign Exchange earnings & outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure - VI.

Business Responsibility Report

The 'Business Responsibility Report' (BRR) of your Company for the year ended 31 March 2022 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as Annexure-VII to the board report

Corporate Governance

The report on corporate governance for the year ended 31st March, 2022 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto as Annexure VIII. The certificate from practicing Chartered Accountant pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the compliance of conditions of corporate governance is attached to the report on corporate governance.

Prevention of the Sexual Harassment of Women at workplace

The Company has in place an appropriate Policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and of matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The company is intolerant to any discrimination and harassment related issues and takes timely measures to address the grievance. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013



During the financial year 2021–22, no complaints were received in this regard.

Indian Accounting Standards (Ind AS)

The Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2017 pursuant to Ministry of Corporate Affairs' notification of the Companies (Indian Accounting Standards) Rules, 2015. The standalone and consolidated financial statements of the Company, forming part of the Annual Report, have been prepared and presented in accordance with all the material aspects of the Indian Accounting Standards ('Ind AS') as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')) and relevant amendment rules issued thereafter and guidelines issued by the Securities Exchange Board of India ("SEBI").

Secretarial Standards

During the FY 2021–2022, the Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

CEO & CFO Certification

Pursuant to the Regulation 17(8) of SEBI (LO&DR) Regulation, 2015, the company has obtained certificate signed by Sri A Arvind Kumar, Chief Executive Officer and Sri. B Krishna Mohan Rao, Chief Financial Officer of the Company, certifying the accuracy of the Financial Statements for FY 2021–22, which forms part of this report.

Pursuant to the Regulation 33 (2) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has obtained certificate signed by Sri A Arvind Kumar, Chief Executive Officer and Sri. B Krishna Mohan Rao, Chief Financial Officer, certifying that the financial results for the FY 2021–22 do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading, which forms part of this report.

Prevention of Insider Trading Code

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has adopted the Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished price Sensitive information, copies of the same are available on company's website at <https://www.bhagirad.com/corporate.html>

Vigil Mechanism / Whistle Blower Policy

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Company's Whistle Blower Policy.

The Company has adopted a Whistle Blower Policy establishing a formal vigil mechanism for the Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and provides direct access to the Chairperson of the Audit Committee.

It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is available on the Company's website at <https://www.bhagirad.com/corporate.html>.

Research & Development

R&D is an integral part of our business strategy and our Company consistently leveraged its R&D proficiency in implementing agile practices which helped our Company to adapt to various business challenges and in meeting the expectations of the customers. We believe that augmenting our R&D capabilities will be vital to our growth plans and developed processes.

All the processes implemented in the manufacture of different products have been developed in-house. The R&D teams incessantly work on optimizing existing manufacturing processes for reduction in cost of manufacturing and minimization of waste and intellectual property development

Health, Safety and Environment protection

Your Company is environmentally conscious and believes in protecting the environment and building a sustainable society. It is committed to promoting healthier lives, contributing to the Communities where it operates. It accords highest priority to the health and safety of its employees, customers and other stakeholders as well as to the protection of the environment. Making operations safe and secure, by developing adequate operating procedures, safety focused culture and improving equipment are accorded utmost priority.

Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion and Analysis, Corporate Governance Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

Industrial/trade relations

Your Directors wish to record appreciation to the continued support and cooperation from its customers, suppliers, vendors, trade partners and all others associated with it. Your Company will continue to build and maintain a strong association with its business partners and trade





associates. During the year under review, industrial relations remained cordial and stable. The directors wish to place on record their sincere appreciation of the co-operation received from employees at all levels.

Acknowledgement

Your Directors wish to express their gratitude towards the Shareholders for their continued trust, support and

confidence. Your Directors also wish to convey their sincere gratitude to the Company's business partners, customers, vendors and the bankers who stood by the company at all times. Your Directors place on record their appreciation towards the contribution made by the employees at all levels. The Company's consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board of Directors
Bhagiradha Chemicals and Industries Limited

Registered Office:

8-2-269/S/3/A
Plot No. 3, Sagar Society,
Road No. 2, Banjara Hills,
Hyderabad – 500 034,
CIN: L24219TG1993PLC015963
Ph: 040 42221212 / 2323
E-mail: info@bhagirad.com

Place: Hyderabad
Date: May 26, 2022

K S Raju
Chairman
DIN NO.: 00008177

S Chandra Sekhar
Managing Director
DIN NO.: 00159543



ANNEXURE-I

Form AOC - 1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules 2014)
Statement containing salient feature of the financial statements of subsidiaries or associate companies or joint ventures

PART – A: SUBSIDIARIES

S. No.	Particulars	Details
1	Name of Subsidiary	Bheema Fine Chemicals Private Limited (wholly owned subsidiary)
2	The date since when subsidiary was acquired	July 22, 2020
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	April 01, 2021 to March 31, 2022
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees (in lakhs)
5	Share capital	900
6	Reserves & Surplus	(27.89)
7	Total Assets	944.70
8	Total Liabilities	72.59
9	Investments	-
10	Turnover	-
11	Profit before taxation	(13.35)
12	Provision for taxation	-
13	Profit after taxation	(13.35)
14	Proposed Dividend	-
15	Extent of shareholding (in percentage)	100%

PART – B of the Annexure is not applicable as there are no associate companies/ joint ventures of the Company as on March 31, 2022

Note: The wholly owned subsidiary is yet to commence its commercial operations.

For and on behalf of the Board of Directors
Bhagiradha Chemicals and Industries Limited

Registered Office:

8-2-269/S/3/A
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E-mail: info@bhagirad.com

K S Raju

Chairman
DIN NO: 00008177

Krishna Mohan Rao

Chief Financial Officer

S Chandra Sekhar

Managing Director
DIN NO.: 00159543

Sharanya. R

Company Secretary & Compliance Officer
M.No.- ACS 63438

Place: Hyderabad
Date: May 26, 2022

A Arvind Kumar

Chief Executive Officer



ANNEXURE-II

FORM NO. AOC-2

Details of Related party Transactions

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

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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at Arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2022, which were not at arms' length basis.

2. Details of contracts or arrangement or transactions at arm's length basis:

Particulars	Details		
	Name (s) of the related party	Bheema Fine Chemicals Private Limited	VNA Express And Logistics Solutions
Nature of Relationship	Wholly owned subsidiary	Sri Ketan Chamanlal Budh, Whole time Director of the Company, is interested	Smt Singavarapu Lalitha Sree, Promoter & Director of the Company, is interested
Nature of contracts/arrangements/transaction	Investments in Subsidiary	Service	Inter corporate loan extended to the Company
Duration of the contracts/arrangements/transaction	During FY 2021-22	During FY 2021-22	24 Months
Value of contracts/arrangements/transactions during the Year	₹ 99 lakhs	₹ 6.27 lakhs	₹ 220 lakhs.
Justification for entering into such contracts or arrangements or transactions	Business Requirements on regular basis.	Business Requirements on regular basis.	Business Requirements on regular basis.
Date of approval by the Board	May 04, 2021	May 04, 2021	May 04, 2021
Amount paid as advances, if any	Nil	Nil	Nil

Note: Appropriate approvals have been taken from the Audit Committee and Board for the Related Party Transactions made by the Company and no amount was paid as advance for the above Related Party Transaction.

For and on behalf of the Board of Directors
Bhagiradha Chemicals and Industries Ltd.

Registered Office:

8-2-269/S/3/A
Plot No. 3, Sagar Society,
Road No. 2, Banjara Hills,
Hyderabad - 500 034,
CIN: L24219TG1993PLC015963
Ph: 040 42221212 / 2323
E-mail: info@bhagirad.com

Place: Hyderabad
Date: May 26, 2022

K S Raju
Chairman
DIN NO.: 00008177

S Chandra Sekhar
Managing Director
DIN NO.: 00159543



ANNEXURE-III(A)

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the Financial Year ended 31st March, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
M/s. BHAGIRADHA CHEMICALS AND INDUSTRIES LIMITED.
8-2-269/S/3/A, Plot No.3,
Sagar Society, Road No.2, Banjara Hills,
Hyderabad, Telangana – 500034.

We have conducted the Secretarial Audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Bhagiradha Chemicals and Industries Limited** (hereinafter referred as the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2022, (i.e. from 1st April, 2021 to 31st March, 2022) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

The Company is carrying on the business of manufacturing of agrochemicals which are sold in the domestic as well as the overseas markets.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company to the applicable extent for the financial year ended on 31st March, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the "Act") and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- iii. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the financial year);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the financial year) ;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018 (Not applicable to the Company during the financial year) ;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the financial year).



- v. The Memorandum and Articles of Association.
- vi. The Company has identified and confirmed the following laws as specifically applicable to the Company.
- (a) The Insecticides Act, 1968 and the Insecticides Rules, 1971
 - (b) Factories Act, 1948 and Rules made there under
 - (c) The Indian Boilers Act, 1923 & The Indian Boilers Regulations 1950
 - (d) Petroleum Act, 1934, Rules, 1976
 - (e) Industrial Employment (Standing Orders) Act, 1946 & Rules 1957
 - (f) The States Shops and Establishments Act
 - (g) Payment of Bonus Act 1965, & Rules, 1965
 - (h) Maternity Benefit Act 1961 & Rules
 - (i) Employees Compensation Act, 1923 & Rules.
 - (j) Minimum Wages Act, 1948, M.W(C) Rules, 1950
 - (k) Child Labour (P&R) Act 1986 & Rules.
 - (l) Air (Prevention and Control of Pollution) Act 1981
 - (m) Water (Prevention and Control of Pollution) Act 1974
 - (n) The Noise (Regulation and Control) Rules 2000
 - (o) Ozone Depleting Substances (Regulation & Control) Rules 2000
 - (p) The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules 1996
 - (q) Payment of Wages Act 1936
 - (r) Employees State Insurance Act 1948 and Rules and Regulations
 - (s) Contract Labour (Regulation & Abolition) Act 1970
 - (t) Legal Metrology Act, 2009
 - (u) Industrial Disputes Act, 1947 and Rules made there under
 - (v) Indian Contract Act, 1872
 - (w) Environment Protection Act, 1986 and other environmental laws
 - (x) Payment of Gratuity Act, 1972
 - (y) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined compliance with the applicable clauses/regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, on test check basis, the Company has complied with all the applicable laws.

We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same is not within the scope of our audit

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act/Listing Regulations.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent in advance as required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the year under review, the Authorised share capital of the company was increased from ₹10,00,00,000 (Rupees



Ten Crores Only) divided into 1,00,00,000 (One Crore) Equity Shares having face value of ₹10/- each to ₹ 15,00,00,000 (Rupees Fifteen Crores Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares having face value of ₹ 10/- each with the approval of the shareholders in the EGM conducted through postal ballot on February 5, 2022.

Accordingly, after the year under review the Company has issued and allotted (a) 19,55,083 Equity Shares of face value of ₹10.00 each at a price of ₹ 400.00 per Share (including a premium of ₹ 390.00 per Share) on 10th May, 2022 on Rights basis to the existing shareholders as on April 09,2022 and (b) 1,40,700 Equity Shares of face value of ₹ 10.00 each at a price of ₹ 400.00 per Share (including a premium of ₹ 390 per Share) on 10 May, 2022 through the same Issue under Employee Reservation Portion.

The paid up share capital of the Company thus increased from ₹ 8,30,97,000 divided into 83,09,700 equity shares of ₹ 10/- each to ₹ 10,40,54,830 divided into 1,04,05,483 equity shares of ₹ 10/- each.

For **RPR & ASSOCIATES**
Company Secretaries

Y Ravi Prasada Reddy
Proprietor

FCS No. 5783, C P No. 5360
Peer Review Certificate No. 1425/2021
UDIN: F005783D000392301

Place: Hyderabad
Date: 26.05.2022

This Report is to be read with our letter of even date which is annexed as Annexure and forms part of this report.





ANNEXURE TO SECRETARIAL AUDIT REPORT

The Members,

M/s. BHAGIRADHA CHEMICALS AND INDUSTRIES LIMITED.

8-2-269/S/3/A, Plot No.3,

Sagar Society, Road No.2, Banjara Hills,

Hyderabad, Telangana – 500034.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representations about the compliance of laws, rules and regulations and happening of events etc.,
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **RPR & ASSOCIATES**
Company Secretaries

Place: Hyderabad

Date: 26.05.2022

Y Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360



ANNEXURE-III(B)

Annual Secretarial Compliance Report

for the year ended 31.03.2022

(Pursuant to Regulation 24(A) of the SEBI (LODR) Regulations, 2015)

We, M/s. RPR and Associates, Company Secretaries, Hyderabad, have examined:

- (a) all the documents and records made available to us and explanation provided by M/s. Bhagiradha Chemicals and Industries Limited (CIN: L24219TG1993PLC015963) having its registered office at 8-2-269/S/3/A, Plot No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad, Telangana – 500034, ("the listed entity");
- (b) The filings/ submissions made by the listed entity to the stock exchange(s);
- (c) Website of the listed entity; and
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification/ report,
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 – Not applicable during the period under review;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 regarding the Companies Act and dealing with client
 - and circulars/ guidelines issued there under;
 - and based on the above examination, we hereby report that, during the Review Period:

For the year ended 31st March, 2022 ("Review Period") in respect of compliance with the provisions of:

- (a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), Rules made there under and the Regulations, circulars, Guidelines issued there under by the Securities and Exchange Board of India ("SEBI");
- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under:
- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued there under insofar as it appears from our examination of those records;

The specific Regulations, whose provisions and the circulars/guidelines issued there under, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not applicable during the period under review;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – Not applicable during the period under review;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not applicable during the period under review;
- (c) During the Review Period, no actions has been taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under.
- (d) There are no observation made in previous report, hence action taken from listed entity was not required.

For **RPR & ASSOCIATES**
Company Secretaries

Y Ravi Prasada Reddy

Proprietor

Place: Hyderabad

Date: 28th April, 2022

UDIN: F005783D000228225 FCS No. 5783, C P No. 5360

Peer Review Certificate No. 1425/2021

**ANNEXURE-III(C)****CERTIFICATE**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Bhagiradha Chemicals and Industries Limited
8-2-269/S/3/A, Plot No.3,
Sagar Society, Road No.2, Banjara Hills,
Hyderabad, Telangana - 500034

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Bhagiradha Chemicals and Industries Limited having CIN: L24219TG1993PLC015963 and having registered office at 8-2-269/S/3/A, Plot No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad, Telangana - 500034 produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022, have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of initial appointment in the Company
1	Sri Satyanarayana Raju Kanumuru	00008177	29/07/2005
2	Sri Chandra Sekhar Singavarapu	00159543	27/07/2010
3	Sri Sudhakar Kudva	02410695	31/10/2008
4	Smt Lalitha Sree Singavarapu	06957985	11/08/2014
5	Sri G.S.V. Krishna Rao	08199210	13/11/2018
6	Sri Ketan Chamanlal Budh	01740025	14/05/2019
7	Sri Kishor shah	00193288	14/09/2020
8	Dr G. Aruna	08978947	04/12/2020

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RPR & ASSOCIATES**
Company Secretaries

Place: Hyderabad
Date: 26.05.2022
UDIN: F005783D000392323

Y Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360



Annexure IV

The Annual Report on CSR Initiatives

1. Brief outline on CSR Policy of the Company

The Company believes in undertaking business in a way that will lead to overall development of all stakeholders and society. The Company ensures that all its stakeholders, including customers, shareholders, employees, business partners and the local community, are cared for. We work towards protecting the environment, as well as continually improving and enhancing the quality of life of individuals and communities. The CSR policy is available on the website of the Company at www.bhagirad.com

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sri. Sudhakar Kudva	Chairman / Non-Executive Independent Director	2	2
2	Sri. Chandra Sekhar Singavarapu	Member / Managing Director	2	2
3	Smt. Lalitha Sree Singavarapu	Member / Non-Executive Director	2	2

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

Composition of CSR Committee: <https://www.bhagirad.com/board-committees.html>

CSR Policy: <https://www.bhagirad.com/reports/policy/CSR%20Policy0819.pdf>

CSR Projects: www.bhagirad.com/csr.html

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

5. The amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

6. Average net profit of the company as per section 135(5):

₹ 23,44,49,658/- calculated for FY 2018-19, FY 2019-20, & FY 2020-21

7. Particulars	Amount in Lakhs
Two percent of average net profit of the company as per section 135(5) [A]	46.89
Surplus arising out of the CSR projects or programmes or activities of the previous financial years [B]	-
Amount required to be set off for the financial year, if any [C]	-
Total CSR obligation for the financial year [A]+[B]+[C]	46.89



8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year 2021-22 (₹ in Lakhs)	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
46.89	N.A				

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (₹ in lakhs.).	Amount spent in the current financial Year (₹ in lakhs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in lakhs).	Mode of implementation - Direct(Yes/No).	Mode of implementation - Through implementing agency.	
				State	District						Name	CSR registration number
1.		-	-	-	-	-	-	-	-	-	-	-
	Total					NIL	-					

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name Of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in Lakhs).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration number
1.	Relief to fight against the COVID-19	Schedule VII(xii)- Disaster Management / Promoting healthcare	Yes	Andhra Pradesh	Ongole, Prakasam District	10.00	Yes	NA	NA
2.	Rural Development	Schedule VII(x)- Rural Development	Yes	Andhra Pradesh	Ongole, Prakasam District	3.72	Yes	NA	NA
3.	Contribution to health care and education by donating to NTR Memorial Trust	Schedule VII(i) (ii) Promoting education and Healthcare	Yes	Telangana	Hyderabad	1.00	Yes	NA	NA
4.	Contribution towards Critical Health Care Monitors to A.P Govt	Schedule VII(i) Promoting Healthcare	Yes	Andhra Pradesh	Ongole, Prakasam District	20.15	Yes	NA	NA
5.	Development of Municipal schools in the state of Andhra Pradesh by contributing to connect to Andhra	Schedule VII(ii) Promoting education	Yes	Andhra Pradesh	Ongole, Prakasam District	12.02	Yes	NA	NA
	Total					46.89			



- (d) Amount spent in Administrative Overheads: Nil
- (e) Amount spent on Impact Assessment, if applicable: Nil
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 46.89 Lakhs
- (g) Excess amount for set off, if any: NIL

Sl. No.	Particulars	Amount (₹ In Lakhs)
1.	Two percent of average net profit of the company as per section 135(5)	46.89
2.	Total amount spent for the Financial Year	46.89
3.	Excess amount spent for the financial year [(ii)-(i)]	-
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

(1)	(2)	(3)	(4)	(5)			(6)	(7)
Sl. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in lakhs.)	Amount spent in the reporting Financial Year (₹ in lakhs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (₹ in lakhs.)	
				Name of the Fund	Amount (₹ in lakhs).	Date of transfer.		
1.				Nil				
	Total							

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project.	Financial Year in Which the project was commenced	Project duration	Total amount allocated for the project (₹ in lakhs)	Amount spent on the project in the reporting Financial Year (₹ in lakhs)	Cumulative amount spent at the end of reporting Financial Year. (₹ in lakhs.)	Status of the project - Completed /Ongoing.
1.						Nil		
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA

(asset-wise details).

- a) Date of creation or acquisition of the capital asset(s):
- b) Amount of CSR spent for creation or acquisition of capital asset:





- c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:
- d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

For and on behalf of the Board of Directors
Bhagiradha Chemicals and Industries Limited

Registered Office:

8-2-269/S/3/A
Plot No. 3, Sagar Society,
Road No. 2, Banjara Hills,
Hyderabad - 500 034,
CIN: L24219TG1993PLC015963
Ph: 040 42221212 / 2323
E-mail: info@bhagirad.com

Place: Hyderabad
Date: May 26, 2022

B. Krishna Mohan Rao
Chief Financial Officer

Sudhakar Kudva
Chairman of CSR Committee
DIN NO.: 02410695

S Chandra Sekhar
Managing Director
DIN NO.: 00159543



Annexure V

Particulars of Employees

(As per Sub-section (12) of section 197 of the Act and rules made thereof as amended from time to time)

A. Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. **Remuneration paid to Executive directors:** The Ratio of the remuneration of each director to the median remuneration of the employees of the company and the percentage increase in remuneration of each Director

Name of the director	Category	Ratio of the remuneration to the median remuneration of the employees	% increase/ (decrease) in remuneration in FY 2021-22 as compared to FY 2020-21
Sri S. Chandra Sekhar	Managing Director	53.5	10.31
Sri Ketan Chamanlal Budh	Whole time Director	12.18	9.09

MRE: Median Remuneration of Employees

- ii. **Remuneration/ Sitting Fee paid to Non-Executive Directors**

Name of the director	Category	Sitting Fee in FY 2021-22 (₹ in Lakhs)	% increase / (decrease) of Sitting fees in FY 2021-22 as compared to FY 2020-21
Sri. K.S Raju	Non-Executive Independent Chairman	1.45	N.A
Sri. G.S.V Krishna Rao	Non-Executive Independent Director	2.40	N.A
Dr. G. Aruna	Non-Executive Independent Director	1.60	N.A
Sri. Kishor Shah	Non-Executive Independent Director	1.90	N.A
Sri. Sudhakar Kudva	Non-Executive Independent Director	2.60	N.A
Smt. Lalitha Sree	Non-Executive Non- Independent Director	1.70	N.A

- iii. **Remuneration of other Key Managerial Personnel (KMP)**

Name of the KMP	Title	Ratio of the remuneration to the median remuneration of the employees	% increase/ (decrease) in remuneration over previous year
Sri A. Arvind Kumar	Chief Executive Officer	27.88	6.78
Sri B. Krishna Mohan Rao	Chief Financial Officer	11.64	13.61
Smt. Sharanya. R	Company Secretary	3.31	NA
Smt Saheli Banerjee*	Company Secretary	4.07	22.97

@ % calculated on annualized basis

*Smt Saheli Banerjee, Company Secretary and Compliance officer had resigned w.e.f. February 25, 2022, & Smt Sharanya. R was appointed as Company Secretary and Compliance officer of the company on February 26, 2022.

- The percentage increase in the median remuneration of employees in the financial year: 15.79 %
- The number of permanent employees on the rolls of the Company as of March 31, 2022 was 421
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable
- The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- None of the employees of the company are working outside of India: Nil



B. Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

- i. Details of employee Employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore and Two lakh rupees: Nil
- ii. Details of employee if Employed for a part of the financial year, was in receipt of remuneration for any part of that year at a rate which, in the aggregate, was not less than Eight Lakhs and Fifty Thousand rupees per month: NIL

Affirmation:

- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Registered Office:

8-2-269/S/3/A
Plot No. 3, Sagar Society,
Road No. 2, Banjara Hills,
Hyderabad – 500 034,
CIN: L24219TG1993PLC015963
Ph: 040 42221212 / 2323
E-mail: info@bhagirad.com

Place: Hyderabad
Date: May 26, 2022

For and on behalf of the Board of Directors
Bhagiradha Chemicals and Industries Limited

K S Raju
Chairman
DIN NO.: 00008177

S Chandra Sekhar
Managing Director
DIN NO.: 00159543



Annexure VI

Conservation of Energy, Technology absorption and foreign exchange earning and outgo [section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014

A) Conservation of Energy

The products manufactured by the company are power intensive. However, consistent efforts are being made for identifying the potential for energy saving.

The requisite information with regard to conservation of energy as required under section 134 of the Companies Act, 2013 and the Rules made therein in Form A are given hereunder:

FORM - A

Particulars	(₹ in Lakhs)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
I. ENERGY CONSERVATION POWER & FUEL CONSUMPTION		
1. Electricity		
(i) purchased units (kwh)	2,72,36,412	21,107,310
Total amount (₹ In Lakhs) (including demand charges)	1819.06	1,405.08
Unit Rate (₹)	6.68	6.66
(ii) Own generation (on diesel)		
a) Diesel consumption (Ltrs)	77,600	65,000
No of units	232,800	195,000
Units/ Liter of Diesel	3.000	3.000
Total amount (₹ In Lakhs)	74.58	52.66
unit cost (₹)	32.04	27.00
b) steam Turbine Generation		
No of units	Nil	Nil
Units/ton of Steam	Nil	Nil
Cost/Unit (₹)	Nil	Nil
2. 'C' Grade coal used in Boiler		
Quantity (MT)	14,697	14,350
Total Cost (₹ In Lakhs)	1178.05	984.78
Average Rate/MT	8,016	6,863
3. Briquettes		
Quantity (MT)	632	Nil
Total Cost (₹ In Lakhs)	33.02	Nil
Average Rate/MT	5,228	Nil
4. Furnace oil		
Quantity (Ltrs)	Nil	13,500
Total cost (₹)	Nil	447,885
Average Rate/Ltr	Nil	33.18
II. CONSUMPTION PER UNIT OF PRODUCTION (MT)		
Electricity purchased & own Generation (units)	10,575	9,578
Furnace Oil (Ltr)	Nil	6.07
Coal Quality 'C' Grade (MT)	5.66	6.45
Briquettes (MT)	0.24	Nil

**FORM – B**

(See Rule – 2)

Form for disclosure of particulars with respect to technology absorption

B) Research and Development

Bhagiradha is distinguished globally as an R&D driven Agrochemical Company and R&D forms part of the business strategies. The company has consistently leveraged its R&D proficiency in implementing agile development practices that helped the Company to adapt to various business challenges and in meeting the expectation of the customers. Evolutionary development, adaptive planning, continual improvements and perseverance form core around which the Company has modelled its R&D. A robust product portfolio, prominent customer base and a diverse revenue mix are a testament to our R&D capabilities.

During the Financial 2021-22, the R&D has successfully completed the process development for Pymetrozine at pilot stage. The product was taken up for commercial production from March 2021 onwards.

- 1) Specific areas in which R&D is carried out by the company
 - Optimization of existing process technologies
 - Development of process technologies for generic pesticides and their intermediates
 - Intellectual property development
 - Scale up and optimization of process technologies
 - Safety studies
- 2) Benefits derived as a result of the above efforts:

During Financial Year 2021- 2022 the company has

 - Continued Optimization of the existing processes.
 - Commercialized new insecticide and herbicide.
- 3) Future plan of action
 - The company has plans to launch two generic products every year for domestic / export market. The R&D team is actively working on development of process technologies.

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Place: Hyderabad
Date: May 26, 2022

K S Raju
Chairman
DIN NO.: 00008177

S Chandra Sekhar
Managing Director
DIN NO.: 00159543

4) Expenditure on R&D for the year 2021-22

Particulars	₹ In Lakhs	
	Amount	
Capital	-	
Recurring	143.74	
Total	143.74	
R&D expenditure as a percentage of total turnover	0.33	

C) Technology, absorption, adaptation and innovation

1) Efforts, in brief, made towards technology absorption, adaptation and innovation

All process technologies are developed in-house at the R&D. The R&D is equipped with instruments and equipment to generate products from gram scale to kilo scale. After completely studying the process in pilot plant, standard operating procedures are developed for implementation in the plant.

2) Benefit derived as a result of above efforts

- Improvement in the quality of products.
- Reduction in cost of manufacture.
- Commercialization of new products.

3) In case of imported technology (imported during last 5 years), give details of

Technology imported, year of import, whether technology fully absorbed.

- No technology has been imported by the company

Foreign Exchange Earnings and Outgo

Particulars	Amount	
	₹ In lakhs	
Earnings	8541.97	
Outgo	8439.75	

**For and on behalf of the Board of Directors
Bhagiradha Chemicals and Industries Limited**



ANNEXURE-VII

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	CIN	:	L24219TG1993PLC01593
2	Name of the Company	:	BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED
3	Address of the Registered office & contact details	:	8-2-269/S/3/A, Plot No:3, Sagar Society, Road No:2, Banjara Hills, Hyderabad – 500 034, Telangana Ph: 040-42221212. Fax: 040-23540444
4	Website	:	www.bhagirad.com
5	Email Id	:	info@bhagirad.com
6	Financial year reported	:	1 st April, 2021 – 31 st March, 2022
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	20211-Agro Chemicals Manufacturing
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	:	The Company manufactures generic agrochemical active ingredients and its intermediates. It is involved in the manufacturing of insecticides, fungicides, herbicides etc. like Azoxystrobin(Fungicide), Fipronil, Pymetrozine (insecticides) and Mesosulfuron (herbicide), Di Chloro Aniline(Intermediate)
9.	Total Number of locations where business activity is undertaken by the Company	:	Only one manufacturing location at Cheruvukommupalem, Ongole, Prakasam District, Andhra Pradesh. The Registered Office is situated at Hyderabad.
10	Markets served by the Company- Local/State/ National/ International	:	National & International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (₹)	:	8,30,97,000/-
2	Total Turnover (₹)	:	43653.81 lakhs
3	Total Profit after taxes(₹)	:	3590.26 lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax	:	Pursuant to section 135 of the Companies Act, 2013, the Company's total spending on CSR for the year ended March 31, 2022 was ₹ 46.89 lakhs which is 2% of the average Net Profit for Last 3 years.
5	List of activities in which expenditure in 4 above has been incurred	:	The CSR Amount was spent towards Relief to fight against the COVID-19, Rural Development, Promoting education and Healthcare, etc. Please refer Annexure IV to Directors' Report for CSR related information and also under CSR section in the annual report.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies	:	As on March 31, 2022, the Company has one wholly owned subsidiary namely M/s. Bheema Fine Chemicals Private Limited (CIN: U24299TG2020PTC142050)
2	Do the Subsidiary Company/Companies participate in the Business Responsibility (BR) Initiatives of the Parent Company? If yes, then indicate the number of such subsidiary Company(s)	:	No participation by the said subsidiary in business responsibility initiatives of the company as of now.





- 3 Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] : No

SECTION D: BR INFORMATION

1. Details of Director(s) responsible for BR

Details of Director/Directors responsible for BR : Details of the BR head

DIN	: 00159543	Name	: Sri A.Arvind Kumar
Name Sekhar	: Sri S. Chandra	Designation	: Chief Executive Officer
Designation	: Managing Director	Telephone No	: 040-23608083
		e-mail id	: arvind.a@bhagirad.com

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/Policies

Principles to assess compliance with environmental, social and governance norms are provided as under:

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3 (P3)	Businesses should promote the well-being of all employees.
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
Principle 5 (P5)	Businesses should respect and promote human rights.
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore the environment.
Principle 7 (P7)	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8(P8)	Businesses should support inclusive growth and equitable development.
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Particulars	P1	P2	P3	P4	P5	P6	*P7	P8	P9
1. Do you have a policy(s) for the principles?	Y	Y	Y	Y	Y	Y	NA	Y	Y
2. Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3. Does the policy conform to any national/international standards? If Yes, Specify?	Policies are prepared considering the relevant provisions of applicable laws and wherever applicable on relevant provisions of 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', as deemed appropriate at the time of formulation of policies								
4. Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
5. Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y



Particulars	P1	P2	P3	P4	P5	P6	*P7	P8	P9
6. Indicate the link for the policy to be viewed online?	The policies can be viewed online at the below mentioned link on the website of the company: https://www.bhagirad.com/corporate.html								
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8. Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	NA	Y	Y
9. Does the Company have a grievance redressal mechanism to address stakeholder's grievance related to the policy (ies)?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10. Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company has not carried out independent audit / evaluation of the working. However, the Policy relating to Environment, Health and Safety apart from internal audits are evaluated by external ISO audit agencies.								

*Presently, the Company is not actively engaged in influencing any public and regulatory policy.

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Not applicable since the response to none of the Principles is in the negative.

3. Governance related to BR

a. Frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company	The Board of Directors assess the performance of the Business Responsibility on an Annual basis
b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this Report? How frequently it is published?	Yes. The Company publishes BR report annually and the same forms part of annual report, which can be accessed in the Company's website i.e www.bhagirad.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

Policy governing Principle 1: Ethics, Transparency and Accountability Policy

The above policy has been hosted on Company's website under the hyperlink <http://bhagirad.com>

- Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

Yes, the company is committed to dealing legally and ethically in all aspects of business. We ensure that the third parties with whom we work reflect the same high ethical standards and demonstrate a commitment to compliance with all applicable laws.

The Company's Code of Conduct and Ethics address compliance with internal business conduct and ethics as well as regulatory requirements. The Code of Conduct is prescribed for all employees, including directors of the Company. The Company's Whistle Blower Policy encourages employees to bring instances of unethical behavior to the knowledge of the management.

- How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.:

The Company has in place a robust grievance redressal mechanism for timely dealing with the complaints received from various stakeholders. The details of shareholders complaints received, resolved and pending during the financial year 2021- 22 are furnished in the Corporate Governance Report.





Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is committed to efficient and optimum use of water, energy, chemicals and put in place systems for reducing waste in the manufacture of its products among which Fipronil Insecticide, Pymetrozine Insecticide and Azoxystrobin fungicide, benefitting the farming community in India and other overseas countries. The Company strives to comply with the requirements related to environment, health and safety.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

The Company has since invested on installation of Agitated Nutsche Filters for filtration and waste water treatment and Agitated Thin Film Dryer to efficiently treat the effluents.

b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The products are sold on B2B basis and the end product is made by the formulator.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

Yes

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so

The company procures raw materials from reputed manufacturers and ensures that applicable protocols are followed while loading

and unloading and during the transportation. The raw material and the finished goods are transported in securely fastened drums as far as required and in containers wherever exports or imports are involved.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company encourages procurement of goods and services from locally available resources. Knowledge sharing, on job training and periodic visits of vendors and visits of the company's personnel to other plants are facilitated to encourage skill development among personnel.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.

Yes, the Company operates a zero liquid discharge plant and recycles waste water by processing it in RO plants and STPs.

Principle 3: Businesses should promote the wellbeing of all employees (As on March 31, 2022)

1. Please indicate the Total number of employees – 421
2. Please indicate the Total number of employees hired on temporary/contractual/ casual basis. – 147
3. Please indicate the Number of permanent women employees. – 18
4. Please indicate the Number of permanent employees with disabilities – Nil
5. Do you have an employee association that is recognized by management? – No

6. What percentage of your permanent employees is members of this recognized employee association? NA
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. –

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ Forced labour/ Inventory labour	Nil	NA
2	Sexual harassment	Nil	NA
3	Discriminatory employment	Nil	NA



8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? Following is the respective percentage (rounded-off) for these employees:

- | | |
|--|-----|
| (a) Permanent Employees – | 22% |
| (b) Permanent Women Employees – | 75% |
| (c) Casual/Temporary/Contractual Employees – | 30% |
| (d) Employees with Disabilities – | Nil |

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its stakeholders as part of its stakeholder engagement process.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the Company has identified the communities which are disadvantaged, vulnerable and require focused intervention. The Company engages periodically with these stakeholders to understand their problems and mitigate them as far as possible.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The company's CSR activities are dedicated towards improving the lives of the marginal and vulnerable communities. The CSR Initiatives are focused on promoting education, health care, disaster management, relief, Rural Development.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company follows its policy on Human Rights which are applicable to all employees in the Company. Company discourages dealing with any supplier/contractor if it is in violation of human rights and also prohibits the use of forced or child labour at all manufacturing units /with business associates. Company strongly opposes human exploitation, and all other forms of unacceptable treatment of workers and believes that its employees shall live with social

& economic dignity & freedom, and treated equally regardless of nationality, gender, race, economic status or religion.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No stakeholders' complaint in relation to human rights was received by the Company in the financial year 2021-22 and even in the past Financial Year.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.

The Company and its Wholly Owned Subsidiary Company adhere to all the Statutory and Environmental Regulatory requirements. The company and its subsidiary take steps to conserve and protect the environment by addressing local environmental challenges and promoting sustainable practices.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

The Company ensures as a policy that the operations are conducted in a manner that takes care of the safety and health of the employees, local people and also diligently complies with all the applicable environmental laws. The company developed a green belt in a vast area abutting the factory land besides undertaking plantation of trees in the nearby villages.

Some of the other initiatives undertaken by the company to address global environmental issues are: Optimal use of natural resources, spread green awareness across internal and external stakeholders

3. Does the company identify and assess potential environmental risks? Y/N.

Yes, the Company has Risk Management mechanisms in place to identify and assess existing and potential risks across its operations.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Currently no projects related to Clean Development Mechanism have been taken up by the Company.





5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Company has not taken the said initiatives, during the year under review.

6. Are the Emissions/Waste generated by the company within the permissible limits given by Centre Pollution Control Board (CPCB) / State Pollution Control Board (SPCB) for the financial year being reported?

Yes, the Emissions/Waste generated by the Company were within the permissible limits given by CPCB / SPCB for the financial year and they are being reported.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

During the period under review, the Company is not directly engaged in influencing public and regulatory policies.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

BCIL is a member of the following.

1. Pesticide Manufacturers and Formulators Association of India(PMFAI)
2. The Federation of Telangana Chambers of Commerce and Industry.
3. CHEMEXCIL

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, from time to time, the Company takes up the matters of public interest through these Associations/Bodies

Principle 8: Businesses should support inclusive growth and equitable development.

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company undertakes various initiatives through the CSR committee of the Board as per the CSR policy of the Company. The CSR activities of the Company include the following:

- Promoting education
- Promoting Health Care
- Environment Sustainability
- Rural Development projects
- Disaster management, relief and rehabilitation

2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organization?

The CSR programmes are undertaken directly by the Company and also by way of contribution to eligible entity for spending on an eligible activity.

3. Have you done any impact assessment of your initiative?

The Company has not carried out any impact assessment of CSR initiative during the year under review.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

For the financial year 2021-22, the Company has spent an amount of ₹ 46.89 lakhs for the CSR activities. The details of the CSR activities and the amount contributed thereon are provided in Annual Report on CSR activities forming part of the Board's Report (Annexure IV).

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so

Yes, the Company ensures that the initiatives undertaken under the CSR are thoughtfully selected, well-implemented, accepted and valued by the intended beneficiaries.



Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

As on 31st March, 2022, one case filed in a consumer court is pending.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Yes, the Company adheres to the applicable laws & regulations regarding the display of the product label and the information related thereto.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There have been no cases relating to unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years reported by any stakeholder against the Company and no cases are pending as at the end of Financial Year 31.03.2022

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The company believes that engaging with stakeholders. Consumers is central to improving accountability within the organisation as well as to expand into wider market. The company focuses on stakeholder's engagement and keeps track of responses/comments from various stakeholders, Consumers.

**For and on behalf of the Board of Directors
Bhagiradha Chemicals and Industries Limited**

K S Raju
Chairman
DIN NO.: 00008177

S Chandra Sekhar
Managing Director
DIN NO.: 00159543

Registered Office:

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Ph: +91-040 42221212/ 2323
E-mail: info@bhagirad.com

Place: Hyderabad
Date: 26th May, 2022





ANNEXURE-VIII

Corporate Governance Report

The Board of Directors of the Company has pleasure in presenting the Company's Report on Corporate Governance for the Financial Year 2021-22 pursuant to Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulation').

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on corporate governance revolves around sound, transparent and fair business practices with accountability. The key features of the Corporate Governance Policy of your Company are to maintain the highest standards for disclosure practices, professionalism, transparency and accountability in all its dealings. We practice Good corporate governance not only for compliances with applicable statutes, but also to ensure transparency, provide a robust MIS and to ensure that interest of all stakeholders is protected. This helps the Company to generate wealth with honour.

As a good corporate citizen, Bhagiradha Chemicals and Industries Limited (BCIL) is committed to sound corporate practices based on ethical conduct, safety and environmental concerns; control and finance; commitment to employees and maintain stakeholder relationships.

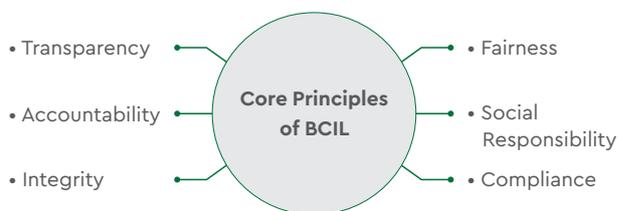
The Company has a strong legacy of ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and enhancing stakeholders' value. In this pursuit, the Company's Corporate Governance philosophy is based on its core values viz Quality, Reliability, Consistency, Trust and Integrity.

The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act"). The Company's corporate governance philosophy has been further strengthened through the BCIL Code of Conduct for Prevention of Insider Trading and the Code of Fair Disclosure Practices.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 ("SEBI Listing Regulations").

In compliance with the Corporate Governance requirements as prescribed under the Companies Act, 2013 read with the Rules made thereunder ("Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable laws, the company has adopted various codes and policies to carry out business in an ethical manner which are hosted on the website of the company at <https://www.bhagirad.com/corporate.html>



2. BOARD OF DIRECTORS:

a. Composition and category of Directors

The Board of Directors of the Company is constituted with experienced and professional Directors from different fields. The Board of Directors of the Company ('Board') has an optimum combination of Executive, Non-Executive & Independent Directors including Women Directors.

The Board is responsible to supervise the Corporate Governance practices in the Company. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations under the applicable corporate governance rules.

As on March 31, 2022, the Board comprises of 8 directors i.e

- two Executive Directors (one Managing Director and one Whole-time Director) and
- five Non-Executive Independent Directors including the Chairman of the Board and
- one Non-Executive Non Independent Director.



Five directors are Non-Executive Independent Directors. The Board has two woman directors out of which one is an Independent Director. The composition of the Board is in conformity with the Companies Act, 2013 read with rules made thereunder and SEBI Listing Regulations

The strength of the Board is accentuated by diversity in terms of the collective skill sets, and experience of the Directors.

Composition of Board as on 31.03.2022 is as follows:

Sr. No.	Name of the Director	Category
1.	Sri. K.S. Raju	Non-Executive Independent Director, Chairman
2.	Sri. S. Chandra Sekhar	Promoter, Managing Director
3.	Sri. Ketan Chamanlal Budh	Whole time Director
4.	Sri. Sudhakar Kudva	Non-Executive Independent Director
5.	Sri. G.S.V. Krishna Rao	Non-Executive Independent Director
6.	Sri. Kishor Shah	Non-Executive Independent Director
7.	Smt. G Aruna	Non-Executive Independent Woman Director
8.	Smt. S. Lalitha Sree	Non-Executive – Non Independent Woman Director

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2022 have been made by the Directors. None of the Directors are related to each other except Smt S. Lalitha Sree and Sri S. Chandra Sekhar

b. Attendance of each Director at the meeting of the Board of Directors and the last Annual General Meeting:

Name of Director	Category	Attendance at Board Meetings		Whether present at the previous AGM
		Held	Attended	
Sri. K.S. Raju	Non-Executive Independent Director, Chairman	6	5	Yes
Sri. S. Chandra Sekhar	Promoter, Managing Director	6	6	Yes
Sri. Ketan Chamanlal Budh	Whole time Director	6	6	Yes
Sri. Sudhakar Kudva	Non-Executive – Independent Director	6	6	Yes
Sri. G.S.V. Krishna Rao	Non-Executive – Independent Director	6	6	Yes
Sri. Kishor Shah	Non-Executive – Independent Director	6	6	Yes
Smt. G Aruna	Non-Executive – Independent Director	6	6	Yes
Smt. S. Lalitha Sree	Non-Executive – Non Independent Director	6	6	Yes
*Sri. D. Sadasivudu	Non-Executive – Non Independent Director	1	1	Yes

*Sri. D. Sadasivudu, Non-Executive – Non Independent Director had retired from the Board w.e.f 10.08.2021



**c. Number of other board of directors or committees in which a directors is a member or chairperson**

Name of the Director	No of Directorships in listed entities including this listed entity	Number of memberships / chairmanships in Audit / Stakeholder Committee(s) including this listed entity		Name of the other listed Company as on 31-03-2022	Category of Directorship
		Chairman	Member		
Sri K.S. Raju	1	-	-	-	-
Sri S. Chandra Sekhar	1	-	2	-	-
Sri Ketan Chamanlal Budh	1	-	-	-	-
Sri Sudhakar Kudva	2	2	3	NACL Industries Ltd	Non-Executive, Independent
*Sri. D. Sadasivudu	1	-	-	-	-
Smt S. Lalitha Sree	1	-	-	-	-
Sri G.S.V. Krishna Rao	1	1	2	-	-
Sri Kishor Shah	2	1	2	GKW Limited	Non-Executive Independent
Dr G Aruna	1	-	-	-	-

Note:

- The directorships held by directors as mentioned above, do not include directorships in Foreign Companies.
- In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all Public Limited Companies have been considered.

*Sri. D. Sadasivudu, Non-Executive – Non Independent Director had retired from the Board w.e.f 10.08.2021

None of the Directors on the Board serve as an independent director in more than seven listed entities and none of the Directors on the Board is a member of more than 10 Committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 ("the Act") and Chairman of more than 5 Committees as specified in Regulation 26 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, across all the Companies in which he/ she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

d. Board Meeting

The meetings of the Board are held in compliance with the requirements under regulation 17(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, six meetings of the Board of Directors of the Company were held on 04-05-2021, 12-08-2021, 30-10-2021, 14-12-2021, 04-01-2022, 29-01-2022, in accordance with the provisions of the Act and the gap between two meetings did not exceed one hundred and twenty days. Necessary quorum was present for all the meetings

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under the Listing Regulations

Pursuant to Schedule IV of the Companies Act, 2013 & Rules made there under and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. The meeting shall review the performance of non-independent directors and the Board as a whole; review the performance of the Chairperson of the Board, taking into account the views of the executive directors and non-executive directors; assess the quality, quantity and timeliness of flow of information between the Management and the board that is necessary for it to effectively and reasonably perform its duties.

During the year, a separate meeting of the Independent Directors was held on 4th May, 2021, without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.



Agenda and relevant information to Directors:

The agenda for each Board/ Committee meeting is circulated well in advance to the Directors. All material information is incorporated in the agenda facilitating meaningful and focused discussions in the meeting. Every Board/ Committee Member is free to suggest items for inclusion in the agenda. The agendas and other relevant documents/ information to Board/ Committee members are provided in secured electronic mode

e. Disclosure of relationship between Directors inter-se

As on 31.03.2022 the Board comprises of 8 directors i.e two Executive Directors (one Managing Director and one Whole- time Director) and five Non-Executive Independent Directors including the Chairman of the Board and one Non-Executive Non Independent Director

None of the Directors are related to each other except for Sri. S. Chandra Sekhar, Managing Director who is the spouse of Smt S. Lalitha Sree, Non-Executive Non Independent Director.

f. Number of shares and convertible instruments held by non- executive directors

None of the Non-executive directors of the Company are holding any shares and convertible instruments except Smt. S. Lalitha Sree, Non-Executive Director of the Company holding 60,000 equity shares and Sri. D. Sadasivudu holding 63,600 equity shares as on March 31, 2022

*D. Sadasivudu, Non-Executive – Non Independent Director had retired from the Board w.e.f 10.08.2021

g. web link where details of familiarisation programmes imparted to independent directors is disclosed

On being introduced onto the board of the company, every director is given an induction and is made aware about the organization's Vision, mission, Challenges, risk and opportunities. The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's policies and practices.

The newly appointed Directors are given induction and orientation with respect to Company's Vision, Core purpose, Core Values and Business operations. In addition, detailed presentations are made by Senior Management Personnel on business environment, performance of the Company at every Board Meeting. The

above initiatives help the Directors to understand the Company, its business and the regulatory framework in which the Company operates and enables the Directors to fulfill their role/ responsibility.

The details of familiarization programme imparted to independent directors during the FY 2021- 22 is available on the website of the company at: <https://www.bhagirad.com/>

h) Skills/Expertise/Competencies of the Board of Directors.

The Directors of your Company comprise of qualified individuals who collectively possess the skills, competencies, and experience across diverse fields that enable them to make effective contributions to the Board and its Committees.

The following is the list of core skills/expertise/ competencies identified by the Board of Directors as required in the context of the Company's business (es) for it to function effectively and those available with the Board as a whole.

- i. Sales & Marketing: Experience in sales and marketing management based on understanding of the industry, developing strategies to grow sales and market share, build brand awareness, equity and enhance enterprise reputation.
- ii. General management/Governance and Compliance: Service on a company board to develop insights about maintaining board and management accountability, Strategic thinking, decision making, protecting shareholder interests, and observing appropriate governance practices. Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems.
- iii. Financial skills: Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc. Management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a financial officer, accounting officer, controller, auditor or person performing similar functions
- iv. Technical and professional skills/ Policy Development: Ability to identify key issues and opportunities for the Company and develop appropriate policies to define the parameters within which the organisation





- should operate and knowledge including legal and regulatory aspects.
- v. Operational Skill/ Strategy planning, Mergers and Acquisitions: Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's relevant policies and priorities. Leading growth through acquisitions and other business combinations, with the ability to assess 'build or buy' decisions, analyze the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plan.
- vi. Leadership: Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth. Oversee strategic human resource management including workforce planning, employee and industrial relations and oversee large scale organisational change.
- vii. Information Technology: A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate innovation, and extend or create new business models. Knowledge and experience in the strategic use and governance of information management and information technology within the organisation.
- viii. International Business: Knowledge of and experience in companies with operations outside of India.

Given below is a list of core skills, expertise and competencies of the individual Directors:

Director	Area of Expertise							
	Financial	Policy Development	Leadership	Information Technology	Strategy planning, Mergers and Acquisitions	Governance and Compliance	Sales & Marketing	International Business
K.S. Raju		✓	✓		✓	✓	✓	
S. Chandra Sekhar	✓	✓	✓		✓	✓	✓	✓
Ketan Chamanlal Budh		✓	✓		✓		✓	✓
Sudhakar Kudva	✓	✓	✓		✓	✓		✓
S. Lalitha Sree					✓	✓		
G.S.V. Krishna Rao	✓	✓	✓		✓	✓		
Kishor Shah	✓		✓		✓	✓		
G Aruna		✓	✓	✓	✓	✓	✓	✓

These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein.

i. Confirmation from the Board

All the Independent Directors of the Company have given declarations and confirmed that they meet the criteria of Independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. They also

declare that apart from receiving sitting fees for attending the Board/Committee meetings, they did not have any pecuniary relationship or transactions with the company, its promoter, its directors, senior management and they are not a material supplier, service provider or customer or a lessor or lessee of the company, which may affect their independence, and is not a substantial shareholder of the company i.e. owning two percent or more of the block of voting shares.

Further, the Board after taking these declarations /disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and fulfill the conditions specified in the Listing Regulations and are Independent of the Management



j. During the year under review none of the independent directors had resigned from the Board.

Committees of the Board

During the period under review, the Board has five committees i.e.

- i. Audit Committee,
- ii. Nomination and Remuneration Committee,
- iii. Corporate Social Responsibility Committee
- iv. Stakeholders Relationship Committee and
- v. Risk Management Committee.

The quorum for committee meetings is as per the Companies Act and SEBI Listing Regulation. The Company Secretary of the company is acting as the Secretary in each Committee

3. AUDIT COMMITTEE

a. Brief description of Terms of Reference

The Committee composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. Members of the Audit Committee possess financial, accounting expertise/exposure

The Audit Committee of the Company is responsible for supervising the Company's internal controls and financial reporting process and inter alia, performs the following functions:

- Oversight of the Company's financial reporting process and disclosure of its financial information;
- Review of the Company's accounting policies, internal accounting controls, financial and such other matters;
- Review the functioning of Whistleblower Mechanism of the Company which shall include the Vigil Mechanism for Directors and employees to report genuine concerns in the prescribed manner;
- Discuss and review, with the management and auditors, the annual/quarterly Financial Statements before submission to the Board;
- Hold timely discussions with external auditors regarding critical accounting policies and practices, significant reporting issues and judgements made, nature and scope of audit;

- Evaluate auditors' performance, qualification, independence and effectiveness of audit process;
- Recommend to the Board, the appointment, re-appointment, removal of the external auditors, fixation of audit fees and also approval for payment of audit and non-audit services;
- Scrutinise inter-corporate loans and investments, and review the utilisation of loans and/or advances/investment by the holding company in the subsidiary;
- Reviewing the adequacy of internal control system, internal audit function and risk management function;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Provide guidance to the Compliance Officer for setting forth policies and implementation of the Code of Conduct for Prevention of Insider Trading. Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and verifying that the systems for Internal Controls are adequate and are operating effectively;
- Review the significant related party transactions;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Further pursuant to Regulation 18(2)(c) of the Listing Regulations, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other Independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.



**b. composition, name of members and chairperson:**

The Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013 as amended from time to time.

Name	Category	Designation
Sri. Sudhakar Kudva	Non- Executive Independent Director	Chairman
Sri. S. Chandra Sekhar	Executive Director	Member
Sri. G.S.V Krishna Rao	Non -Executive Independent Director	Member
Sri. Kishor Shah	Non -Executive Independent Director	Member

c. meetings and attendance during the year

The meetings of the Audit Committee are held in compliance with the requirements under regulation 18(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Four Audit Committee meetings were held during the financial year 2021-22 i.e. on 04-05-2021, 12-08-2021, 30-10-2021, 29-01-2022.

Meetings of the Committee as on March 31, 2022:

Name	Designation	No. of Meetings	
		Held	Attended
Sri. Sudhakar Kudva	Chairman	4	4
Sri. S. Chandra Sekhar	Member	4	4
Sri. G.S.V Krishna Rao	Member	4	4
Sri. Kishor Shah	Member	4	4

Sri Sudhakar Kudva, Chairperson of the Audit Committee is a Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of India. He has over 40 years of experience in various senior positions in India and abroad. The industry spectrum of his experience includes International Trading and Contracting, Financial Services, Manufacturing of alloy and carbon steel, seamless tubes, Mining, Port operations and Logistics. All Members of the Audit Committee are financially literate.

Sri B Krishnamohan Rao, Chief Financial Officer of the Company is the permanent invitee and Statutory Auditor and Internal Auditors are also invited to the Audit Committee Meeting and the Company Secretary acts as the Secretary to the Committee. The Committee, from time to time, also invites such other executives, as it considers appropriate, to be present at the Meetings

per the Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations, Section 178 of the Companies Act, 2013 as amended from time to time:

Terms of reference

The terms of reference of the Nomination & Remuneration Committee are as follows:

- Make recommendations to the Board regarding the setup and composition of the Board;
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel ('KMP') and other employees;
- Support the Board and Independent Directors, as may be required, in evaluation of the performance of the Board, its Committees and Individual Directors;

4. NOMINATION AND REMUNERATION COMMITTEE**a. Brief description of terms of reference**

The terms of reference, constitution, powers, quorum and other matters in relation to the Nomination and Remuneration Committee are as



- Formulate criteria for evaluation of Directors and the Board;
- Recommend to the Board, the appointment or removal of KMP and executive team members;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team members of the Company;
- Devise a policy on Board diversity;
- Recommend to the Board the appointment or re-appointment of Directors;
- Review matters related to remuneration and benefits payable upon retirement and severance to the Managing Director/ Executive Director(s), KMP and executive team members;
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of Board, KMP and executive team members;
- Oversee familiarization programmes for Directors;
- Review people strategy and its alignment with the business strategy periodically or when a change is made to either;
- Provide guidelines for remuneration of Directors on material subsidiaries;

b. Composition, name of members and chairperson

The Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013 as amended from time to time.

Composition of the Committee as on March 31, 2022:

Name	Category	Designation
Sri. Sudhakar Kudva	Non – Executive Independent Director	Chairman
Sri. K.S.Raju	Non – Executive Director, chairman	Member
Sri. G.S.V Krishna Rao	Non – Executive Independent Director	Member

Sri Sudhakar Kudva, Chairperson of the Committee, was present at the last AGM held on August 10, 2021. Sri B Krishna Mohan Rao, Chief Financial Officer of the Company is the invitee to the Nomination & Remuneration Committee Meeting and the Company Secretary acts as the Secretary to the Committee.

c. meetings and attendance during the year

Three Nomination & Remuneration Committee meetings were held during the financial year 2021–22 i.e. on 04-05-2021, 14-12-2021, 29-01-2022.

Name	Designation	No. of Meetings	
		Held	Attended
Sri. Sudhakar Kudva	Chairman	3	3
Sri. K.S.Raju	Member	3	2
Sri. G.S.V Krishna Rao	Member	3	3

d. performance evaluation criteria for independent directors

One of the key functions of the Committee is to monitor and review the board evaluation framework. Your Board is committed to assessing its own performance in order to identify its strengths and areas in which it may improve its functioning. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive / non-executive / independent directors. The

questionnaire is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy, and the effectiveness of the whole Board and its various committees on a scale of one to five. Feedback on each director is encouraged to be provided as part of the questionnaire.





Selection of Independent Directors: Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment as Independent Director on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other Companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

Nomination/Remuneration Policy:

The compensation of the Executive Directors comprises of fixed component, perquisites and performance based incentive and is determined based on the remuneration prevailing in the industry and the performance of the Company. The remuneration of the Executive Directors is periodically reviewed and suitable revision is recommended to the Board by the Nomination and Remuneration Committee. The Board shall recommend the same for the approval of the Shareholders. The nomination and remuneration policy as adopted by the Board is placed on the Company's website at <https://www.bhagirad.com/corporate.html>

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee's (SRC) composition and the terms of reference are as

per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as specified in Section 178 of the Companies Act, 2013 & rules made thereof as amended from time to time.

The Stakeholders Relationship Committee meeting was held one time during the financial year 2021-22 i.e. on 30.10.2021.

Terms of reference

The terms of reference of the Stakeholders Relationship Committee are as follows:

- Resolving the grievances of the security holders including complaints related to transfer/transmission of shares / debentures, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc;
- Reviewing details of transfer of unclaimed dividend /securities to the Investor Education and Protection Fund;
- Reviewing the transfer, transmission, dematerialization of securities;
- Reviewing measures taken for effective exercise of voting rights by shareholders;
- Reviewing adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Reviewing various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- To approve issue of duplicate certificates.

Composition, name of members and chairperson, meetings and attendance as on March 31, 2022:

Name	Category	Designation	No. of Meetings	
			Held	Attended
Sri. G.S.V Krishna Rao	Non- Executive Independent Director	Chairman	1	1
*Sri D. Sadasivudu	Non-Executive Director	Member	NA	NA
Sri. Sudhakar Kudva	Non- Executive Independent Director	Member	1	1
**Sri. S Chandra Sekhar	Executive Director	Member	1	1

*Sri. D. Sadasivudu had resigned from the Committee on August 10, 2021

**Sri. S Chandra Sekhar was appointed as a member of the Committee wef. August 10, 2021

The Company Secretary acts as the Secretary to the Committee.

All valid requests for share transfer received during the year have been acted upon and no such transfer is pending



a. Name of non-executive director heading the committee:

Sri. G.S.V Krishna Rao, Non- Executive Independent Director is heading the committee

b. Name and designation of compliance officer

Sharanya. R

Company Secretary & Compliance Officer
Bhagiradha Chemicals & Industries Limited
8-2-269/S/3/A, Plot No. 3, Sagar Society,
Road No. 2, Banjara Hills, Hyderabad – 500 034
Ph: 040 42221212 / 2323
E-mail: info@bhagirad.com

- c.** Number of shareholders' complaints received during the financial year: Nil
- d.** Number of complaints not solved to the satisfaction of shareholders: Nil
- e.** Number of pending complaints : Nil

5A. RISK MANAGEMENT COMMITTEE

a. Brief description of terms of reference

In accordance with the provisions of Regulation 21 of the SEBI (LODR) Regulations, 2015, the Board

constituted Risk Management Committee. The Committee's prime responsibility is to implement, review and monitor the risk management plan and policy of the Company. The Committee shall be aware of the significant risk exposures of the Company and assess whether Management is responding appropriately towards them in timely manner. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013 and rules made thereunder and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The terms of reference of the Risk Management Committee are as follows:

- (a) Framing, implementing and monitoring the risk management policy of the Company;
- (b) Identification, prioritization, mitigation and monitoring of the risk reported
- (c) Periodical review and assessing the quality, integrity and effectiveness of the risk management system
- (d) Reporting to the Board of Directors, the status of risk management system from time to time

b. Composition, name of members and chairperson

The Committee's composition and terms of reference are in compliance with the provisions of Regulation 21 of SEBI Listing Regulations

Name	Category	Designation
Sri. Sudhakar Kudva	Non-Executive Independent Director	Chairman
Sri. G.S.V Krishna Rao	Non-Executive Independent Director	Member
Dr. G Aruna	Non-Executive Independent Director	Member

c. Meetings and attendance during the year

The Risk Management Committee meeting was held on 29.01.2022

Name	Designation	No. of Meetings	
		Held	Attended
Sri. Sudhakar Kudva	Chairman	1	1
Sri. G.S.V Krishna Rao	Member	1	1
Dr G Aruna	Member	1	1

The Company Secretary acts as the Secretary to the Committee



**5B. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)****a. brief description of terms of reference**

The Corporate Social Responsibility (CSR) Committee's composition and terms of reference are in compliance with the provisions of section 135 of the Companies Act, 2013.

The CSR Committee is responsible for reviewing corporate social responsibility programmes, health and safety framework and sustainable development. The overall roadmap as well as specific issues of concern including those related to safety and climate change is reviewed in detail. The scope of the CSR Committee also includes approving the budget of CSR, reviewing the CSR programmes and monitoring the CSR spends.

Terms of reference

The terms of reference of the CSR Committee are as follows:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- To recommend the amount of expenditure to be incurred on the activities for the above said purpose.
- To review and monitor the Company's CSR Policy periodically and activities of the Company on behalf of the Board to ensure that the Company is in compliance with appropriate laws and legislations;
- To provide guidance to management to evaluate long term strategic proposals with respect to CSR implications;
- To review periodic reports on performance of corporate social responsibility activities.

b. Composition, name of members and chairperson

The Committee's composition and terms of reference are in compliance with the provisions of section 135 of the Companies Act, 2013.

Name	Category	Designation
Sri. Sudhakar Kudva	Non – Executive Independent Director	Chairman
Sri. S. Chandra Sekhar	Executive Director	Member
Smt. S. Lalitha Sree	Non – Executive Non – Independent Director	Member

Sri B Krishnamohan Rao, Chief Financial Officer of the Company is the invitee to the Corporate Social Responsibility Committee Meeting and the Company Secretary acts as the Secretary to the Committee.

c. Meetings and attendance during the year:

The CSR Committee meetings were held twice during the financial year 2021-22 i.e. on 04-05-2021 and 12-08-2021

Name	Designation	No. of Meetings	
		Held	Attended
Sri. Sudhakar Kudva	Chairman	2	2
Sri. S. Chandra Sekhar	Member	2	2
Smt. S. Lalitha Sree	Member	2	2



6. REMUNERATION OF DIRECTORS

The Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to director(s). All Board-level compensation shall be approved by the shareholders and disclosed separately in the financial statements.

The compensation payable to the Independent/ Non-Executive Directors is limited to sitting fees and reimbursement of actual conveyance, travelling and other expenses for attending the Board & Committee meeting(s), as approved by the Board & shareholders, as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time.

(a) All pecuniary relationship or transactions of the Non-Executive Directors

There is no pecuniary relationship or transactions between the company and Non-Executive directors except the sitting fees they are getting for attending the board/committee meeting and dividend on shares if any held by him/her.

(b) Criteria of making payments to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees and reimbursement of actual expenses for attending the Board/ Committee Meeting. The Non-Executive Directors/ Independent Directors do not have any material pecuniary relationship or transactions with the Company.

(c) Other disclosures with respect to remuneration:

- i. The Details of remuneration paid for the year ended March 31, 2022 is as follows:

(Amount in ₹)					
Name	Sitting Fees	Remuneration	Perquisites	Commission	Total
Independent Directors					
Sri. Sudhakar Kudva	2,60,000	-	-	-	2,60,000
Sri. GSV Krishna Rao	2,40,000	-	-	-	2,40,000
Sri. Kishor Shah	1,90,000	-	-	-	1,90,000
Dr. G Aruna	1,60,000	-	-	-	1,60,000
Sri. K S Raju	1,45,000	-	-	-	1,45,000
Non-Executive Directors					
Smt. S Lalitha Sree	1,70,000	-	-	-	1,70,000
*Sri. D Sadasivudu	25,000	-	-	-	25,000
Whole-time Directors					
Sri. S Chandra Sekhar	-	96,48,000	-	45,00,000	1,41,48,000
Sri. Ketan Chamanlal Budh	-	32,16,000	-	-	32,16,000

*Sri. D. Sadasivudu, Non-Executive – Non Independent Director had resigned from the Board w.e.f.10.08.2021

- ii. **Details of fixed component and performance linked incentives, along with the performance criteria:**

The Non-Executive Directors of the Company were paid only sitting fees and reimbursement of actual expenses for attending the Board/ Committee meetings. The performance criteria for Executive Director entitled for Performance Linked Incentive as determined by the Nomination & Remuneration Committee, Board of Directors and approved by the members of the Company.

- iii. **Service Contract, Notice Period, Severance Fees**

Terms of Agreement	Sri S Chandra Sekhar, Managing Director	Sri Ketan Chamanlal Budh Whole-time Director
Period of Contract	5 years upto May 31, 2025	3 years upto May 13, 2022
Severance fees/notice period	The Agreement may be terminated earlier, without any cause, by either Party by giving 3 months' Notice to the other, which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated incentive Remuneration (paid at the discretion of the Board, in lieu of such notice). There is no separate provision for payment of severance fees.	



iv. Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:

The Company has not granted any stock option to any of its directors.

Shareholding of the directors as on 31st March, 2022

Name	Category	No of equity shares
Sri. S. Chandra Sekhar	Promoter, Executive	12,87,300
* Sri. D. Sadasivudu	Promoter, Non-Executive	63,600
Smt. S. Lalitha Sree	Promoter, Non-Executive	60,000

*D. Sadasivudu, Non-Executive – Non Independent Director had retired from the Board w.e.f 10.08.2021

Besides dividend on equity shares, if any, held by the Directors and payments as mentioned above no other payments have been made nor have the Directors of the company entered into any transactions of pecuniary nature.

7. GENERAL BODY MEETINGS

a. Location and time, where last three annual general meetings held:

Financial Year	Date	Time (IST)	Venue
2020-21	August 10, 2021	11:00 a.m	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") in compliance with General Circulars issued by Ministry of Corporate Affairs (MCA Circulars) and SEBI.
2019-20	September 04, 2020	11:00 a.m	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") in compliance with General Circulars issued by Ministry of Corporate Affairs (MCA Circulars) and SEBI.
2018-19	August 09, 2019	11:00 a.m	Hotel Green Park, Green lands, Ameerpet, Hyderabad, Telangana, 500016

b. special resolutions passed in the previous three annual general meetings

Financial Year	Date	Special Resolutions passed during last 3 FYs
2020-21	August 10, 2021	No Special Resolutions were passed
2019-20	September 04, 2020	<ul style="list-style-type: none"> • Reappointment of and revision in remuneration payable to Mr. S. Chandra Sekhar (DIN: 00159543) as Managing Director • Continuation of Directorship of Mr. D.Sadasivudu • Borrowing Powers of the Company and Creation of Charge / Providing Of Security up to ₹150 Cr
2018-19	August 09, 2019	<ul style="list-style-type: none"> • Reappointment of Mr. Sudhakar Kudva as an Independent Non-Executive Director. • Appointment of Mr. Ketan Chamanlal Budh as Whole Time Director • Revision of Remuneration and other terms & conditions of the appointment of Mr. S. Chandra Sekhar, Managing Director of the Company



c. Postal Ballot

No special resolutions were passed last year through postal ballot

During the year, following Resolutions were passed by the Company through Postal Ballot.

During the financial year 2021-22, Members of the company have approved the resolutions, stated below by requisite majority, by means of Postal ballot, conducted by the company by way of remote e-voting pursuant to section 110 of the companies act, 2013, on Saturday, February 05, 2022 (being last date of e-voting), the results of which were declared on February 06, 2022.

The details of the voting pattern are given below

S. No	Resolution	Type of Resolution	No of Votes Polled	Votes Cast in favour		Votes Cast against	
				No of Votes	%	No of Votes	%
1.	Increase in Authorised Share Capital of the Company from existing ₹ 10,00,00,000 to ₹ 15,00,00,000 by addition of 50,00,000 equity shares of ₹ 10/- each	Ordinary Resolution	38,28,595	38,28,536	99.998	59	0.002
2.	Alteration of the Capital Clause of the Memorandum of Association of the Company pursuant to the increase in the authorized share capital	Ordinary Resolution	38,28,595	38,28,526	99.998	69	0.002
3.	Appointment of Sri. K S Raju (DIN: 00008177) as a Non-Executive Independent Director (in the category of Chairman) of the Company	Ordinary Resolution	38,28,595	38,28,536	99.998	59	0.002
4.	Employee Reservation along with Rights Issue up to such limits as would be decided by the Rights Issue Committee or any other limit prescribed under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR Regulations) for the existing employees (as defined under Regulation 2(1)(o) of the SEBI ICDR Regulations) of the Company.	Special Resolution	38,28,595	38,28,526	99.998	69	0.002

Person who conducted the postal ballot exercise

The Company has appointed Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practicing Company Secretaries, as Scrutinizer to conduct the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.

As on date, no special resolution is proposed to be conducted through postal ballot;

Procedure for postal ballot

Pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014 as amended, the Company had issued Postal Ballot Notice dated January 4, 2022 to the Members, seeking their consent with respect to the resolutions stated in the notice. In compliance with provisions of Section 108 and Section 110 and other applicable provisions, of the Companies Act, 2013 read with rules thereunder, the Company had provided remote e-voting facility to all the Members of the Company.



The Company engaged the services of Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the Members to cast their votes electronically. The Board of Directors had appointed Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practicing Company Secretaries, as Scrutinizer for Postal Ballot process. The voting period commenced at 09:00 A.M. on January 07, 2022 (IST) and ended at 05:00 P.M. on February 05, 2022. The Scrutiniser, after the completion of scrutiny, submitted his report to the Chairperson of the Company on Sunday, February 06, 2022. Based on the scrutinizer's Report, the voting results were declared by Sri. K S Raju, (DIN: 00008177), Chairman of the Company, on Sunday, February 06, 2022 in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard – 2 issued by the Institute of Company Secretaries of India.

8. MEANS OF COMMUNICATION:

a. Quarterly results

The quarterly/half-yearly/annual financial results are displayed under 'Investors' section of the Company's website viz. www.bhagirad.com. They are also filed with the BSE Limited and National Stock Exchange of India Limited (NSE) through their Online Portal, as per the applicable provisions of the SEBI (LO&DR) Regulations, 2015 as amended from time to time. The shareholders are provided with the necessary information with notices sent for the Annual General Meeting / Extraordinary General Meeting. Any other information sought by shareholders is being provided on request.

b. Newspapers wherein results normally published

The quarterly/annual Financial results are published in Financial Express (all editions), English Language National Daily; and Nava Telangana (Hyderabad edition), regional language where the Registered Office of the company is situated i.e. Hyderabad

c. Website:

The Company's website i.e., <https://www.bhagirad.com> contains a separate dedicated section 'Investors' where shareholders information is available. Full text of Annual Report

is also available on the website in a user friendly and downloadable format as per the requirement of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time.

d. News Releases, Presentations etc:

The Quarterly results, Shareholding Patterns, Official News releases, analysis and information to investors, etc. are displayed on the company's website: <https://www.bhagirad.com/> as well as the website of the Stock Exchanges where the shares of the Company are listed.

e. presentations made to institutional investors or to the analysts

During the year under review the company has not made any presentations to institutional investors or to the analysts

Stock Exchange Intimations: All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the shares of the Company are listed.

Presentations to shareholders/ Members Annual Report: The Annual Report containing inter – alia Notice of the 29th Annual General Meeting, Audited Annual Accounts (Standalone & Consolidated), Directors' Report including Annexure thereto, Auditors Report, Management Discussion and Analysis, Report on Corporate Governance, Secretarial Audit Report and other important information is circulated to Members and others entitled thereto.

Reminder to Investors: Reminders for unclaimed/ unpaid dividend and shares thereof, are sent to shareholder. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed with BSE Limited and National Stock Exchange of India Limited (NSE) through their Online Portal.

SEBI Complaints Redress System: The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.



9. GENERAL SHAREHOLDER INFORMATION

(a)	Date, time and venue of the Annual General Meeting	Friday, 12 August, 2022 at 11:00 a.m. through video conference/ other audio visual means
(b)	Financial year	April 01 to March 31
(c)	Dividend Payment date	The Board of Directors of the Company have recommended a final dividend on equity shares at the rate of (20%) i.e. ₹2/- (Rupees Two only) per equity share of face value of ₹10/- (Ten Rupees) for the Financial Year ended March 31, 2022 The final dividend, if approved, by the members at the 29 th AGM, would be paid within 30 days from the date of the AGM.
	Book Closure	Saturday, August 6, 2022 to Friday, August 12, 2022 (both days inclusive)
(d)	Listing on stock exchanges	i. BSE Limited (BSE) , Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 ii. National Stock Exchange of India Limited (NSE) , Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 The shares of the company got listed on NSE w.e.f 18 th October, 2021, The listing fees for the year 2022–23 has been paid to the above stock exchanges.
(e)	BSE Scrip Code; NSE Symbol	531719 BHAGCHEM
	Corporate Identification Number(CIN)	L24219TG1993PLC015963
	International Securities Identification Number (ISIN) for equity shares of ₹ 10/- each under Depository System	INE414D01019

(f) Market Price Data High, Low during each month in last Financial year

The monthly high and low price quotations of the company's shares at the BSE Limited during the period from 01st April, 2021 to 31st March, 2022

Month	Open Price	High Price	Low Price	Close Price
Apr-21	520	524	440	497.75
May-21	519.95	574	480	512.4
Jun-21	510	734.9	480	617.6
Jul-21	611.5	725	611.5	681.35
Aug-21	689	709.8	620	664.25
Sep-21	673.4	698	629	648.35
Oct-21	654.7	875	640	813.85
Nov-21	834.2	900	741.6	828.65
Dec-21	838.25	1050	776.35	973.1
Jan-22	976.5	1059.7	936	1047.25
Feb-22	1081.65	1133.85	905.9	1010.95
Mar-22	990.3	1099.9	920.3	1015.25

The monthly high and low price quotations of the company's shares at the National Stock Exchange Limited (NSE) during the period from 18th October, 2021 to 31st March, 2022.

The shares of the company got listed on NSE w.e.f 18th October, 2021.

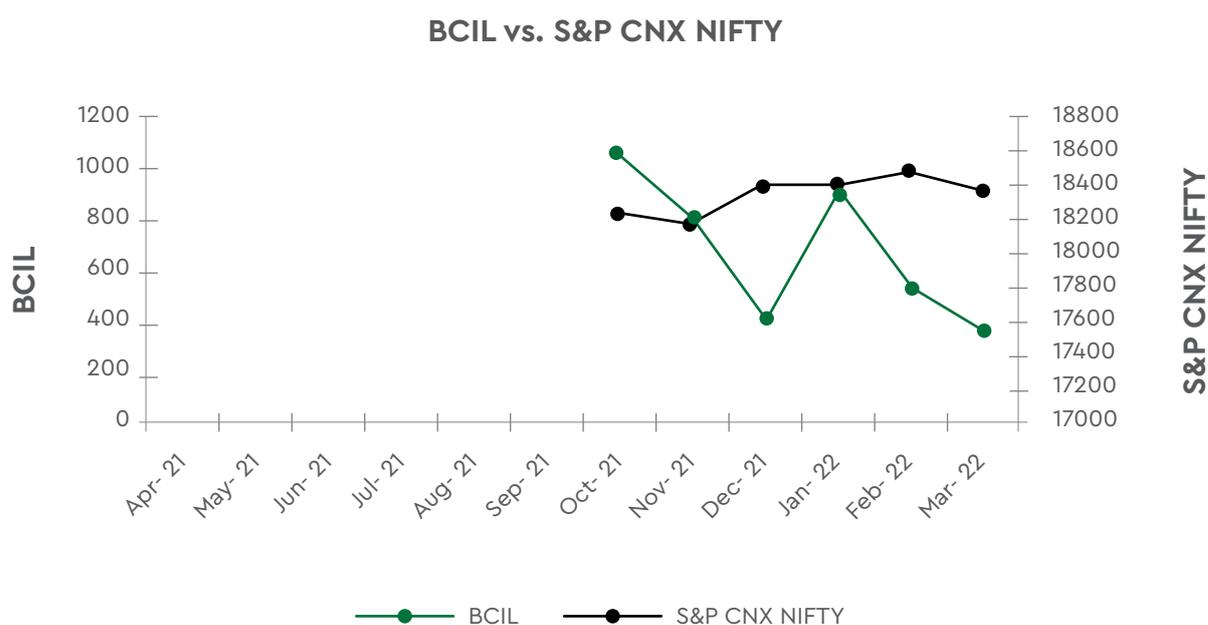
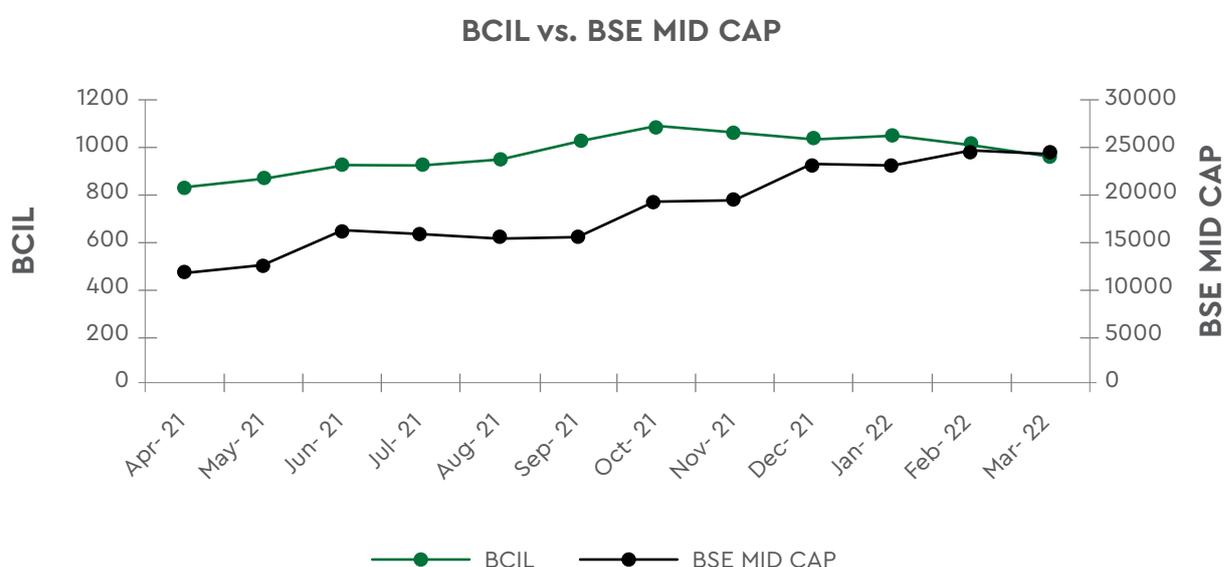


The monthly high and low price quotations of the company's shares at the National Stock Exchange Limited (NSE) during the period from 18th October, 2021 to 31st March, 2022.

The shares of the company got listed on NSE w.e.f 18th October, 2021.

Month	Open Price	High Price	Low Price	Close Price
Oct-21	772.5	830	750.35	809.5
Nov-21	805.55	844	800	826.75
Dec-21	976	985	955.05	981.1
Jan-22	1019.4	1054.9	993.65	1047.3
Feb-22	1020	1024	982	1008.75
Mar-22	990.05	1017.5	990.05	1015.6

(g) Performance in comparison to broad based indices- BSE MID CAP & NSE NIFTY



*The shares of the company got listed on NSE w.e.f 18th October, 2021



(h) During the year under review the shares of your Company were not suspended from trading by any of the stock exchange where the shares are listed.

(i) Registrar to an issue and share transfer agents

For shares related matters, the shareholders are requested to correspond with the RTA of the Company quoting their Folio Number or Client ID and DP ID at the following address

XL Softech Systems Limited:

8-2-269/S/3/A, Plot No. 3, Sagar Society, Road No. 2,
Banjara Hills, Hyderabad – 500 034
Phone: 91-40-23545913/5
Fax : 91-40-23553214
E-mail : xlfield@gmail.com

(j) Share Transfer System

All the valid transfers received are processed and approved by the Registrar and Share Transfer Agent of the company i.e XL Softech Systems Limited

(k) Distribution of Shareholding

Distribution of shareholding as on 31st March, 2022

Sl. No.	Shareholding of nominal value (₹)	Number of shareholders	Percentage of shareholders	Amount of shareholding (₹)	Percentage of shares held
1	up to 5000	2130	85.96	1689390	2.03
2	5001-10000	125	5.04	1023060	1.23
3	10001-20000	61	2.46	906370	1.09
4	20001-30000	34	1.37	885910	1.07
5	30001-40000	22	0.89	771840	0.93
6	40001-50000	13	0.52	610260	0.73
7	50001-100000	26	1.05	2033540	2.45
8	1,00,001 & above	67	2.70	75176630	90.47
	Total	2478	100.00	83097000	100.00

Shareholding Pattern as on March 31, 2022

Sl. No.	Description	No. of cases	Total Shares	% Equity
A. PROMOTERS				
1.	Promoters	9	1683183	20.26
2.	Promoters Bodies Corporate	1	386000	4.65
	A. Total shareholding of the Promoter and Promoter Group	10	2069183	24.90
B. PUBLIC				
3.	Foreign Portfolio Investors	1	73979	0.89
4.	Individuals –	2218	849259	10.22
	i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.			
5.	Individuals –	20	2268608	27.30
	ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.			
6.	Bodies Corporate	74	2865565	34.48
7.	Non Resident Indians	47	67172	0.81
8.	Clearing Members	15	71097	0.86
9.	Trust	1	10	0.00
10.	H U F	92	44827	0.54
	B. Total Shareholding of Public	2468	6240517	75.10
	Total (A+B)	2478	8309700	100

**Shareholding pattern of the Promoter and Promoter Group as on March 31, 2022**

S. No	Name of the Shareholder	No. of Shares held	Shares as a % of total number of Shares
1.	Sri Singavarapu Chandrasekhar	12,87,300	15.49
2.	M/s Greenpath Energy Private Limited	3,86,000	4.65
3.	Smt Eadara Jayalaxmi	2,00,213	2.41
4.	Sri Dodda Sadasivudu	63,600	0.77
5.	Smt Singavarapu Lalitha Sree	60,000	0.72
6.	Sri Kudaravalli Rama Krishna	25,000	0.30
7.	Smt Kudaravalli Sri Lakshmi	24,500	0.29
8.	Sri T Kalyan Chakravarthi	10,000	0.12
9.	Smt K Baby (deceased)	10,000	0.12
10.	Smt Potini Vijaya Lakshmi	2570	0.03
	Total	20,69,183	24.90

Details of Shareholding in physical mode and electronic mode as on 31st March, 2022

Sl .No	Description	No of shares	% of equity
1	Physical	6,019	0.08
2	NSDL	59,73,153	71.88
3	CDSL	23,30,528	28.04
	Total	83,09,700	100.00

Categories of Shareholding as on 31st March 2022

Category	No. of shares held	No. of shareholders	% to Equity
Promoters & PAC	20,69,183	10	24.90
Public	62,40,517	2468	75.10
Total	83,09,700	2478	100.00

*49,100 equity shares of ₹ 10/- each were forfeited at the Board Meeting held on 28.01.2006, hence not included in the total shareholding

(I) Dematerialization of Shares and liquidity

99.92% of the Company's paid-up Equity share capital has been dematerialised as on March 31, 2022. The total holdings of shares of promoters/PAC are in Demat form. The trading of the Equity shares of the company is permitted only in dematerialised form as per the notification issued by SEBI.

The Company has complied with Regulation 31(2) of SEBI (Listing Obligation & Disclosure Requirement) Regulation 2015, as follows:

Category of shareholder	Total		Shares In Demat Form		
	No of Shareholders	Number of shares Held	No of Shareholder	Number of shares Held	% of Respective Shareholding
Promoters & Promoters Group	10	20,69,183	10	20,69,183	100%
Public	2468	62,40,517	2538	62,34,498	99.90%
Total:	2478	83,09,700	2548	83,03,681	

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts with the respective depository participants.



(m) outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs or ADRs or Warrants or Convertible Instruments in the Current Financial year

(n) commodity price risk or foreign exchange risk and hedging activities:

As the company is not engaged in commodity business, commodity risk is not applicable. The foreign exchange risk is managed/ hedged to the extent considered necessary as per the policy of the company.

(o) Plant Location

Cheruvukommu Palem (Village), Ongole (Mandal)

Prakasam (District), Andhra Pradesh-523272

(p) Address for Correspondence

Bhagiradha Chemicals & Industries Limited

8-2-269/S/3/A, Plot No. 3, Sagar Society, Road No. 2

Banjara Hills, Hyderabad - 500 034,

Tel. (040) 42221212, Fax (040) 23540444,

Email : info@bhagirad.com

(q) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year

Rating Agency	Facilities Rated	Amount Rated ₹ in Cr	Rating Assigned	Date of Rating
Care Ratings Limited	Long Term Bank Facilities	59.04	CARE BBB; Stable (Triple B; Outlook: Stable)	June 16, 2021
	Short Term Bank Facilities	28.50	CARE A3+ (A Three Plus)	

10. OTHER DISCLOSURES

a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

All transactions entered into with related parties during the financial year were on arm's length basis and in the ordinary course of business. The transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations.

There were no materially significant transactions entered into by the Company with the related parties which might be deemed to have had a potential material conflict with the interests of the Company at large. The details of the related party transactions entered during the year and disclosures as required by the Indian Accounting Standards (IND AS 24) are disclosed in the notes forming part of the financial statements. The policy on Related Party Transactions is hosted on the website of the Company at <https://www.bhagirad.com/>

b. details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with all applicable rules and regulations prescribed by stock exchanges i.e BSE Limited and National Stock Exchange of India Limited (NSE), Securities and Exchange Board of India (SEBI) or any other statutory authority relating to the capital markets.



c. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee: (Regulation 22 of the SEBI Listing Regulations)

The Board of Directors of the Company had adopted the Whistle Blower Policy. A mechanism has been established for employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee. The Audit Committee reviews periodically the functioning of whistle blower mechanism. There is no complaint received during the Financial Year ended March 31, 2022. No personnel has been denied access to the audit committee. The whistle blower policy has been hosted on the Company's website at <https://www.bhagirad.com/>

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with the mandatory requirements of the Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. With regard to the non-mandatory requirements, the Company has complied to the extent stated below:

a	Shareholder rights	Quarterly financial results are published in leading newspaper i.e Financial Express and in vernacular Language where the registered office of the company is situated i.e Nava Telangana. The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.
b	Modified opinion(s) in Annual Report	The Statutory Auditors of the company have issued a unmodified opinion on the financial statements of the company for the FY 2021-22
c	Separate post of Chairman	The Company has a separate post of Chairman
d	Other Non-Mandatory Requirements:	The Company would be progressively adopting the other non-mandatory requirements
e.	Reporting of Internal Auditors:	Reporting of Internal Auditors: The Internal Auditors make presentations to the Audit Committee on their reports on a regular basis. They submit the Internal Audit Report with observations, reviews, comments and recommendations through presentations which they have observed during their Audit along with follow up actions taken by the management.

e. Web link where policy for determining 'material' subsidiaries is disclosed

The Company has a policy of determining 'material' subsidiaries which is hosted on the company's website at <https://www.bhagirad.com/corporate.html>

f. Web link where policy for dealing with related party transactions is disclosed

The Policy on dealing with related party transactions is hosted on the website at <https://www.bhagirad.com/corporate.html>

g. Disclosure of commodity price risks and commodity hedging activities.

As the Company is not engaged in commodity business, commodity risk is not applicable

h. The Company has not made any preferential allotment or qualified institutions placement during the year under review

i. Certificate from a company secretary in practice

A certificate obtained from Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practicing Company Secretaries, H No. 158/C, E Seva Lane, Vengal Rao Nagar, Hyderabad, Telangana - 500038 stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority, forms part of the Annual Report at Annexure-3 (C) in the Board's Report



- j. During the year there were no instances where Board had not accepted any recommendation of any Committee of the Board which is mandatorily required.

k. Remuneration/Fees of Statutory Auditor

During the year under review, the Company and its Wholly Owned Subsidiary Company had paid the following remuneration/fees to the Statutory Auditors, M/S S. Singhvi & Co., Chartered Accountants (Firm Registration No. 003872S)

The particulars of payment of Statutory Auditors' fees, on consolidated basis are given below:

(Amount in ₹)

Particulars	Bhagiradha Chemicals and Industries Limited	Bheema Fine Chemicals Private Limited
Statutory Audit fee	8,00,000	50,000
Tax Audit	-	-
GST Audit	-	-
Total	8,00,000	50,000

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, the Company addresses complaints pertaining to sexual harassment in accordance with the POSH Act.

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace ('POSH') and the same is uploaded on the website of the Company at www.bhagirad.com/corporate.html. During the year under review, the Company has not received any complaints related to sexual harassment and no complaint were pending as at the end of the financial year.

The Company periodically conducts awareness programmes for its employees. The following are the summary of sexual harassment complaints received and disposed off during the year:

Sl. No	Particulars	Status of the No. of complaints received and disposed off
1.	No of complaints filed during the financial year	Nil
2.	No of complaints disposed of during the financial year	Nil
3.	No of complaints pending as on end of the financial year	Not Applicable

- m. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount - Nil

11. The Company has complied with all the requirements of Schedule V of Corporate Governance Report as stated under sub-para (2) to (10) of section (C) of Schedule V of the Securities Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations, 2015.

12. During FY 2021- 22, information as mentioned in Part E of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.



13. The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing Regulations are as follows:

Sr. No.	Particulars	Regulation	Compliance Status Yes/No/NA
1.	Board of Directors	17	Yes
2.	Audit Committee	18	Yes
3.	Nomination and Remuneration Committee	19	Yes
4.	Stakeholders Relationship Committee	20	Yes
5.	Risk Management Committee	21	Yes
6.	Vigil Mechanism	22	Yes
7.	Related Party Transaction	23	Yes
8.	Subsidiaries of the Company	24	Yes
9.	Obligations with respect to Independent Directors	25	Yes
10.	Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters	26	Yes
11.	Other Corporate Governance requirements	27	Yes
12.	Website	46(2)	Yes

Declaration on Code of Conduct

Pursuant to Regulation 26 read with schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I, K. S. Raju Chairman of the Company, hereby confirm that all the Members of the Board of Directors and Senior Management Personnel of the Company have affirmed the compliance of the Company's Code of Conduct for the Board of Directors and Senior Management for the financial year 31st March, 2022.

Compliance Certificate from the Auditors

Certificate from Statutory Auditors of the Company M/s. S. Singhvi & Co., Chartered Accountants (Firm Registration No. 003872S), Hyderabad, confirming Compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 is forming part of the Annual Report.

CEO and CFO Certification

The Chief Executive Officer and the Chief Financial Officer of the Company had given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015. The annual certificate given by Chief Executive Officer and the Chief Financial Officer forms part of the Annual Report.

The Chief Executive Officer and the Chief Financial Officer of the Company also provide quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015

Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Shareholders. Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio Number.

Code of conduct for prevention of insider trading

The Company has adopted a code of conduct for prevention of Insider Trading (Insider Trading Code) in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading code which is applicable to all directors and designated employees lays down guidelines and procedures to be followed and disclosures to be made while dealing in the securities of the Company



Non-Mandatory Requirements

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is as under:

- During the year under review, there was no audit qualification in the Company's Financial Statements. The Company continues to adopt best practices.
- The Company follows a robust process of communicating with the Shareholders which has been elaborated in the Report under the heading 'Means of Communication'.

Transfer of Un-Claimed Dividends/Shares

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. The following are the year wise dividends remaining unclaimed as on 31.03.2022

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2022 (In ₹.)	Due Date for transfer to IEPF
2014-15	08-08-2015	94,677	12-09-2022
2018-19	09-08-2019	62,246	13-09-2026
2021-22 (interim dividend)	30-10-2021	8,572	30-11-2028

Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

Risk Management

During the year under review, the company has constituted a Risk Management Committee of the Board of Directors. The Committee oversees the Risk Management framework of the company. The risk assessment parameters were reviewed and modified, wherever needed.

Registrar & Share Transfer Agents (RTA)

XI Softech Systems Limited
 Address: Plot No. 3, Sagar Society,
 Road No. 2, Banjara Hills, Hyderabad
 500 034 Tel. (040) 23545913
 Fax (040) 23553214
 Email: Xlfield@Rediffmail.Com

Factory Address:

Yerajala Road,
 Cheruvukommupalem Village - 523272,
 Ongole Mandal,
 Prakasam District,
 Andhra Pradesh, India



Investor Correspondence:

Registered Office Address:

8-2-269/S/3/A
Plot No. 3, Sagar Society,
Road No.2 Banjara Hills,
Hyderabad – 500 034,
Telangana, India.
Tel : 0091-40-42221212,
42212323, 23540616
Fax : 0091-40-23540444
E-mail : info@bhagirad.com,
Site : www.bhagirad.com

Company Secretary & Compliance Officer:

Smt. Sharanya. R
Plot No. 3, Sagar Society,
8-2-269/S/3/A
Road No.2 Banjara Hills,
Hyderabad – 500 034, Telangana, India.
Tel : 0091-40-42221212, 42212323, 23540616 Fax : 0091-40-
23540444
E-mail : cs@bhagirad.com
Website : www.bhagirad.com

DECLARATION ON CODE OF CONDUCT

Pursuant to Regulation 26 read with schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I, K. S. Raju, Chairman of the Company, hereby confirm that all the Members of the Board of Directors and Senior Management Personnel of the Company have affirmed the compliance of the Company's Code of Conduct for the Board of Directors and Senior Management for the financial year 31st March, 2022.

**For and on behalf of the Board of Directors
Bhagiradha Chemicals and Industries Limited**

Registered Office:

8-2-269/S/3/A
Plot No. 3, Sagar Society,
Road No. 2, Banjara Hills,
Hyderabad – 500034
CIN: L24219TG1993PLC015963
Ph: +91-040 42221212/ 2323
E-mail: info@bhagirad.com

K S Raju
Chairman
DIN NO.: 00008177

S Chandra Sekhar
Managing Director
DIN NO.: 00159543

Place: Hyderabad
Date: 26th May, 2022



CEO & CFO Certification

(As per Regulation 17(8) of SEBI (LO&DR) Regulation, 2015)

To
The Board of Directors,
Bhagiradha Chemicals and Industries Limited

We, A Arvind Kumar, Chief Executive Officer and B Krishna Mohan Rao, Chief Financial Officers of Bhagiradha Chemicals and Industries Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed the Financial Statements and the Cash Flow Statements for the financial year ended March 31, 2022 and based on our knowledge and belief, we state that:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated, based on our most recent evaluation, wherever applicable, to the auditors and the Audit Committee
 - i. Significant changes, if any, in the internal controls over financial reporting during the year;
 - ii. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For **Bhagiradha Chemicals and Industries Limited**

Place: Hyderabad
Date: May 26, 2022

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

Requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To,
The Members of
Bhagiradha Chemicals & Industries Limited

We have examined the compliance of conditions of corporate governance by Bhagiradha Chemicals & Industries Limited (CIN: L24219TG1993PLC015963) ('the Company') for the year ended 31 March, 2022, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Shailendra Singhvi
Proprietor
Membership No.023125/ICAI
UDIN NO. 22023125AJQPIM9098

Place: Hyderabad
Date: 26-05-2022



Independent Auditor's Report

The Members
Of **Bhagiradha Chemicals and Industries Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Bhagiradha Chemicals and Industries Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, 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, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing ("SA"s) 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl.No	Key Audit Matter	Auditor's Response
1	<p>Net Realisable value of Finished Goods</p> <p>Finished goods are valued at lower of cost or net realizable value. Considering that there is always a volatility in the Selling price of the Agro-Chemicals, which is dependent upon various market conditions, determination of net realizable value for these chemicals involves significant management judgement and therefore has been considered as a key audit matter.</p> <p>The total value of finished goods (Agro chemicals) as at 31st March, 2022 is ₹1796.95 lakhs which is in accordance with the accounting policies referred to in Note no. 2.10(b). of Standalone financial statements.</p>	<ol style="list-style-type: none"> 1. Evaluated the design of internal controls relating to the management judgments and estimates relating to quantity, purity, fair value less costs to sell and also tested the operating effectiveness of the aforesaid controls. 2. Obtained an understanding of the significant management judgements applied in determination of the quantity, purity and their fair value and assessed and tested the reasonableness of these judgements. 3. Obtained the market information for the fair values and compared them with the rates considered by the management in determining the fair values. 4. Assessed the appropriateness of the disclosure in the Standalone financial statements in accordance with the applicable Standalone financial reporting framework.





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 our 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)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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, 2020 ("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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 Standalone 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, 2022.

- iv. (a) As per the written representation received from the management and to the best of its knowledge and belief other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether, directly Or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) As per the written representation received from the management and to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity, including foreign entities ("Funding Parties"), with the understanding, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever

by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. (a) The interim dividend declared and paid by the Company during the year until the date of this report is in compliance with section 123 of the Companies Act, 2013.
- (b) The Board of Directors has proposed final dividend for the year which is subject to the approval of the members at the ensuing annual general meeting. The amount of dividend proposed is in accordance with section 123 of the Companies Act, 2013 as applicable.

For **S Singhvi & Co.,**
Chartered Accountants
Firm Regn. No. 003872S

Shailendra Singhvi
Proprietor
Membership No.023125 /ICAI
UDIN No. : 023125AJQSDB2767

Place: Hyderabad
Date: 26.05.2022



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. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- b. The Company has a program of verification to cover all the items of Property, Plant and Equipment and right of use 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 Property, Plant and Equipment and right of use 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 and the records examined by us and based on the examination of the registered title deeds of immovable properties provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold and included in Property, Plant and Equipment, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as Right of Use assets in the Standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- d. The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets or both during the year.
- e. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- ii). a. The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No discrepancies were noticed on verification between the physical verification and the book records that were more than 10% in the aggregate of each class of inventory.
- b. The Company has been sanctioned working capital limit of ₹4775.00 Lakhs, in aggregate, during the year, from bank on the basis of security of its current assets. In our opinion and based on the information and explanations given to us and our verification of the stock statements submitted by the Company to the bank in relation to the aforesaid working capital limits, such stock statements are, broadly in all material respect, in agreement with the books of account of the Company except for the deviations detailed in Note No. 50 of the audited Standalone financial statements.
- iii). The Company has made investments in and granted loans or advances in the nature of loans, unsecured, to its subsidiary company during the year. However, the company has not provided any guarantee or security to the companies, firms, limited liability partnership or any other parties during the year.
- a. According to the information and explanations given to us, during the year, the Company has provided loans to its subsidiary company and the aggregate amount of loan given was ₹ 105.00 Lakhs and balance outstanding as at balance sheet date is ₹ 40.49 Lakhs.
- b. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that during the year investment made and the terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the Company.
- c. The company has not granted any loans where the schedule of repayment of principal and payment of interest has been stipulated. Hence reporting under clause 3(iii)(c) of the Order is not applicable.
- d. In respect of loans granted by the Company to its subsidiary, there is no overdue amount remaining outstanding as at the balance sheet date.
- e. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loan granted to settle the overdue of existing loans to the same parties.
- f. According to the information and explanations given to us, company has granted loans and advances in the nature of loans which are repayable on demand. The aggregate amount of loan given to its subsidiary was ₹ 105.00 Lakhs which is 100 % of the total loan granted and balance outstanding as at balance sheet date is ₹ 40.49 Lakhs.





- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- 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. Hence, the reporting under clause 3(v) of the Order is not applicable.
- vi) The Company has made and maintained cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii) a. According to the information and explanations given to us, none of the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other Statutory Dues were outstanding as at last day of the financial year concerned for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no dues in respect of disputed amount to be deposited in respect of provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and any other statutory dues as on 31st March, 2022. The dues outstanding in respect of goods and service tax and entry tax on account of any dispute, are as follows:

Nature of Statute	Nature of dues	Amount (₹ In lakhs)	Period to which the amount relates	Forum where the dispute is pending
Telangana Tax in Entry of Goods	Entry Tax	3.75	2012-13	High court for the State of Telangana
Entry of Goods into Local Areas Act, 2001	Entry Tax	8.64	2013-14	High court for the State of Telangana
	Entry Tax	1.61	2014-15	High court for the State of Telangana
Goods and Service Tax Act, 2017	Goods and Service Tax	65.69	2017-18	Appeal has to be filed on or before 23.10.2022 before Commissioner (Appeals)

- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) a. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to bank or financial institutions or any other lender during the year.
- b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.
- c. According to the information and explanations given to us, and on the basis of our examination of the records, the company has not taken any term loan during the year hence, reporting under clause 3(ix) (c) of the Order is not applicable.
- d. According to the information and explanations given to us, and the audit procedures performed by us, and on an overall examination of the Standalone financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- e. According to the information and explanations given to us, and on an overall examination of the Standalone financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. According to the information and explanations given to us, and the audit procedures performed by us, we report that the company has not raised any loans during the year on the pledge of its securities held in its subsidiary, joint ventures or associate company, hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x) a. In our opinion, and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.



- b. In our opinion, and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, hence reporting under clause 3(x) (b) of the Order is not applicable.
- x) a. In our opinion, and according to the information and explanations given to us, no fraud has been noticed or reported either on company or by the company during the year.
- b. According to the information and explanations given to us, no report under sub section (12) of section 143 of the Companies Act, 2013 has been filed by auditors in form ADT - 4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with central government.
- c. As represented to us by management, there are no whistle blower complaints received by the company during the year.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, Clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with the requirements of section 177 and 188 of Companies Act, 2013 and the same have been disclosed in the Note No. 52 of the audited Standalone financial statements, as required by the applicable Ind AS.
- xiv) a. In our opinion and based on our examination, the Company has an internal audit system, commensurate with its size and nature of its business.
- b. We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into non cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 is not applicable to the company.
- xvi) The company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, reporting under clause 3(xv) (a), (b), (c) and (d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx) According to the information and explanations given to us, there is no unspent amount for projects / ongoing project covered under section 135 of the Companies Act, 2013. Accordingly, reporting requirement in the clause 3(XX) (a) and (b) of the Order is not applicable.

For **S Singhvi & Co.,**
Chartered Accountants
Firm Regn. No. 003872S

Shailendra Singhvi
Proprietor
Membership No.023125 /ICAI
UDIN No. : 023125AJQ\$DB2767

Place: Hyderabad
Date: 26.05.2022





Annexure “B” to the Auditor’s Report

of even date on the Standalone financial statements of Bhagiradha Chemicals & Industries 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 **Bhagiradha Chemicals and Industries Limited** (“the Company”) as of March 31, 2022 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the Standalone financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S Singhvi & Co.,**
Chartered Accountants
Firm Regn. No. 003872S

Shailendra Singhvi
Proprietor
Membership No.023125 /ICAI
UDIN No. : 023125AJQSD2767

Place: Hyderabad
Date: 26.05.2022





Standalone Balance Sheet

as at March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, Plant & Equipment	3	14878.63	14447.54
Capital Work in Progress	4	303.30	120.68
Other Intangible Assets	5	23.02	27.08
Intangible Assets under Development	6	29.81	17.02
Financial Assets			
Investments	7	900.00	801.00
Other Financial Assets	8	576.93	464.69
Other Non Current Assets	9	66.40	31.32
Total Non Current Assets		16778.08	15909.34
Current assets			
Inventories	10	6793.33	5037.54
Financial Assets			
Trade receivables	11	9658.86	5965.78
Cash and cash equivalents	12	219.83	31.87
Bank balance other than cash and cash equivalents	13	81.56	26.09
Loans	14	40.49	.00
Other Financial Assets	15	13.50	13.92
Current Tax Assets (Net)	16	1.03	15.34
Other Current Assets	17	613.54	310.37
Total Current Assets		17422.14	11400.92
Total Assets		34200.22	27310.25
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	18	833.43	833.43
Other Equity	19	18183.65	14749.78
Total Equity		19017.07	15583.20
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	20	1003.01	1921.93
Other Financial Liabilities	21	121.98	137.22
Provisions	22	3.75	.00
Deferred tax Liabilities (Net)	23	797.90	155.68
Total Non Current Liabilities		1926.64	2214.83
Current Liabilities			
Financial Liabilities			
Borrowings	24	7051.47	4311.67
Trade payables	25		
a) Total Outstanding dues of Micro and Small enterprises		404.98	87.05
b) Total Outstanding dues of Trade Payables other than Micro and Small enterprises		5053.64	4543.57
Other Financial Liabilities	26	577.23	500.92
Other current liabilities	27	48.80	41.52
Provisions	28	45.76	18.55
Current Tax Liabilities (Net)	29	74.62	8.95
Total Current Liabilities		13256.51	9512.22
Total Liabilities		15183.15	11727.05
Total Equity & Liabilities		34200.22	27310.25
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of the standalone financial statements	3 to 57		

As per our report of even date
For **S Singhvi & Co.,**
Chartered Accountants
Firm Regi. No.: 003872S

For and on behalf of the Board of Directors
Bhagiradha Chemicals & Industries Limited
(CIN-L24219TG1993PLC015963)

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 26th May 2022

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary
M. No: ACS-63438



Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
I. Income:			
Revenue from Operations	30	43566.74	31789.77
Other Income	31	87.07	63.81
Total Income (I)		43653.81	31853.58
II Expenses:			
Cost of Materials Consumed	32	27548.66	19610.95
Change in inventories of finished goods and Work in progress	33	120.89	475.29
Employee benefits expense	34	2387.53	1942.20
Financial costs	35	907.80	826.42
Depreciation and amortization expense	36	864.89	814.37
Other expenses	37	6677.73	5061.02
Total Expenses (II)		38507.50	28730.26
III Profit/(Loss) Before Exceptional Items and Tax (I-II)		5146.31	3123.33
Exceptional Items	38	-	105.40
IV Profit/(Loss) After Exceptional Items and Before Tax		5146.31	3228.73
V Tax expense:	41		
Current tax		881.10	567.15
MAT Credit Entitlement		465.82	(437.27)
Deferred tax charge/ (credit)		206.51	752.43
Earlier years Tax		2.63	-
		1556.06	882.31
VI Profit/(Loss) for the year		3590.26	2346.42
Other Comprehensive Income	39		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement on employees defined benefit plan		(103.40)	17.33
Deferred tax credit on above		30.11	(5.05)
Total other Comprehensive Income, net of tax		(73.29)	12.29
Total Comprehensive Income, net of tax		3516.97	2358.71
Earning per equity share of ₹ 10/- each fully paid:	42		
Basic (₹)		43.21	28.24
Diluted (₹)		43.21	28.24
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of the standalone financial statements	3 to 57		

As per our report of even date
For **S Singhvi & Co.,**
Chartered Accountants
Firm Regi. No.: 003872S

For and on behalf of the Board of Directors
Bhagiradha Chemicals & Industries Limited
(CIN-L24219TG1993PLC015963)

Shailendra Singhvi
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Membership No. : 023125/ICAI

K S Raju
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S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 26th May 2022

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary
M. No: ACS-63438



Standalone Cash Flow Statement

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit Before Tax	5146.31	3228.73
Adjustments for :		
Depreciation and amortization expenses	864.89	814.37
Loss on sale of fixed assets	7.61	28.13
Interest Paid	509.17	484.15
Interest income & Notional Income	(44.00)	(40.66)
Provision for bad & Doubtful Debts	11.60	3.37
Exchange Differences on translation of assets & liabilities	(17.34)	(17.29)
Gratuity & Compensated absence	56.15	47.61
Operating profit before working capital changes	6534.40	4548.42
Adjustments for movement in working capital :		
(Increase)/Decrease in Inventories	(1755.78)	587.87
(Increase)/Decrease in Trade Receivable	(3701.54)	(4816.52)
(Increase)/Decrease in Other Financial & Non Financial Assets	(470.45)	262.42
Increase/(Decrease) in Trade Payable	822.24	2352.31
Increase/(Decrease) in Other Financial, non financial liabilities & provisions	(34.19)	(2022.63)
Cash generated from operations	1394.67	911.86
Direct taxes paid (Net of refund)	(805.00)	(559.15)
Net cash flow from/(used in) operating activities (A)	589.67	352.72
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment (tangible & intangible both), capital work in progress and capital advances	(1587.34)	(1337.24)
Proceeds from sale of property, plant & equipments	57.33	38.17
Investments in Subsidiary Company	(99.00)	(801.00)
Loan to Subsidiary Company	(40.49)	-
Interest received	28.76	25.41
Net cash flow used in investing activities (B)	(1640.75)	(2074.67)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds/(Repayment) of long term borrowings (Net)	(918.91)	1179.21
Proceeds/(Repayment) of short term borrowings (Net)	2739.80	767.11
Dividend Paid	(83.10)	.00
Interest paid	(495.18)	(467.40)
Net cash used in financing activities (C)	1242.62	1478.92
Effect of exchange differences on translation of foreign currency cash and cash equivalents (D)	(2.85)	.01
Net Increase/(decrease) in cash and cash equivalents (A+B+C+D)	191.53	(243.03)
Cash and cash equivalents at the beginning of the year	29.49	272.51
	218.17	29.49
Cash and cash equivalents include		
Balances with banks		
On current accounts	217.53	28.17
Cash on hand	.65	1.32
Total cash and bank balances at the end of year	218.17	29.49

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

For and on behalf of the Board of Directors
Bhagiradha Chemicals & Industries Limited
(CIN-L24219TG1993PLC015963)

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 26th May 2022

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretar
M. No: ACS-63438



Standalone Statement of Changes in Equity

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

a Equity Share Capital

Particulars	AS AT 31-03-2022	
	No. of shares	Amount
For the year ended 31 March 2022		
Equity shares of INR 10 each issued, subscribed and fully paid		
Balance as at 1 April 2021	83,09,700	830.97
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at 1 April 2021	83,09,700	830.97
Changes in equity share capital during the current year	-	-
Balance as at 31 March 2022	83,09,700	830.97

Particulars	AS AT 31-03-2021	
	No. of shares	Amount
For the year ended 31 March 2021		
Equity shares of INR 10 each issued, subscribed and fully paid		
Balance as at 1 April 2020	83,09,700	830.97
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at 1 April 2020	83,09,700	830.97
Changes in equity share capital during the current year	-	-
Balance as at 31 March 2021	83,09,700	830.97

b Other Equity

Particulars	Reserves and Surplus			Other item of other comprehensive income	Total
	Security Premium Reserve	General Reserve	Retained Earnings		
As at April 01, 2021	5524.76	902.74	8220.88	101.40	14749.78
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 01, 2021	5524.76	902.74	8220.88	101.40	14749.78
Add: Profit for the year transferred to retained earnings	-	-	3590.26	3590.26	-
Add: Other Comprehensive Income for the year :					
Remeasurement of employees defined benefit plans	-	-	-	(103.40)	(103.40)
Deferred tax on above	-	-	-	30.11	30.11
Add: Issued during the year	-	-	-	-	-
Less : Equity Dividend (₹1/- per equity Share)	-	-	(83.10)	-	(83.10)
As at March 31, 2022	5524.76	902.74	11728.03	28.11	18183.65
As at April 01, 2020	5524.76	902.74	5874.46	89.12	12391.07
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 01, 2020	5524.76	902.74	5874.46	89.12	12391.07
Add: Profit for the year transferred to retained earnings	-	-	2,346.42	-	2346.42
Add: Issued during the year	-	-	-	-	-
Add: Other Comprehensive Income for the year :					
Remeasurement of employees defined benefit plans	-	-	-	17.33	17.33
Deferred tax on above	-	-	-	(5.05)	(5.05)
As at March 31, 2021	5524.76	902.74	8220.88	101.40	14749.78
Summary of Significant Accounting Policies	1 to 2				
The accompanying notes are an integral part of the standalone financial statements	3 to 57				

As per our report of even date
For **S Singhvi & Co.,**
Chartered Accountants
Firm Regi. No.: 003872S

For and on behalf of the Board of Directors
Bhagiradha Chemicals & Industries Limited
(CIN-L24219TG1993PLC015963)

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 26th May 2022

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary
M. No: ACS-63438



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

1. Overview of the Company

Bhagiradha Chemicals & Industries Limited was incorporated on 7th July, 1993 in Hyderabad (Telangana). The Company is a public limited company incorporated and domiciles in India and has its registered office at 8-2-269/S/3/A, Plot No 3, Sagar Society, Road No 2, Banjara Hills, Hyderabad – 500 034 (TS). It is incorporated under the Companies Act and its shares are listed on the Bombay Stock Exchange and National Stock Exchange. It has got its manufacturing facility in Ongole, Prakasam District of Andhra Pradesh and is engaged in manufacture of Agro Chemicals.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Standalone 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 Standalone 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 Standalone 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 Standalone 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 Standalone financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the Standalone financial statements and reviewed on an ongoing basis. Actual results may differ from the estimates and assumptions used in preparing the accompanying Standalone 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 are 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.



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

2.4 Property Plant and Equipment and Depreciation

- a) Items of property, plant and equipment are measured at cost, which include 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 when cost can be measured reliably and it is probable that the future benefits 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 Standalone 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 Standalone 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 Standalone 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 non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value





Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

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 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- ▶ The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- ▶ An active programme to locate a buyer and complete the plan has been initiated (if applicable),

- ▶ The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- ▶ The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- ▶ Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

2.10 Inventories

- Inventories are valued at lower of cost or net realizable value on an item-by-item basis.
- 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.
- Cost of Finished goods, work in progress and traded goods : Cost includes cost of direct materials, labour and other related costs incurred in bringing the inventories to their present condition & location.
- Goods in transit are valued at cost which represents the cost incurred up to the stage at which the goods are in transit.
- Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.
- Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

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.



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

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 asset, the Company assesses whether:

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

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 collectability 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.





Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

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 Employee 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



Notes to Standalone Financial Statements

for the year ended March 31, 2022

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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) Functional and presentation currency

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. The Standalone financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and

settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

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 Share

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.





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for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

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 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. As per Ind AS 32, the transaction costs pertaining to rights issue of equity instruments is required to be deducted from equity to the extent they are directly attributable to the equity related transactions and the same will be adjusted once the proceeds from the issue are received.

2.23 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.

2.24 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



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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.

2.25 Significant accounting judgments, estimates and assumptions

The preparation of Standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

a) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.





Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

b) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation. "

c) Defined benefit plans (gratuity benefits and Compensated Absences)

The cost of the defined benefit plans such as gratuity and Compensated Absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

d) Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

2.26 Standards that became effective during the year

There are no new Standards that became effective during the year. The Company has applied certain amendments that became effective during the year

which are discussed below: [This is to be updated as applicable]

a) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments have no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods as and when it become applicable.

b) Amendments to Ind AS consequential to Conceptual Framework under Ind AS

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition



Notes to Standalone Financial Statements

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in conceptual framework in case of Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments have no impact on the financial statements of the Company."

c) Ind AS 103: Business combination

The MCA clarified that for the purpose of this Ind AS, acquirers are required to apply the definition of asset and liability given in the framework for preparation and presentation of financial statements with Indian Accounting standards rather than the conceptual framework. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead,

the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments have no impact on the financial statements of the Company."

d) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

In the definition of "Recoverable amount" the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments have no impact on the financial statements of the Company.

2.27 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakh as per requirement of Schedule III of the Act, unless otherwise stated.





Notes to Standalone Financial Statements

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(Amount in Indian Rupees in lakhs unless otherwise stated)

3 PROPERTY, PLANT & EQUIPMENT

Particulars	Freehold land	Buildings	Plant and equipment	Electrical Installations	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total Property, plant and equipment
Gross carrying value									
Balance as at April 01, 2021	475.56	2008.82	16120.78	1635.60	39.64	58.39	33.85	71.22	20443.87
Additions	-	111.03	1150.01	68.49	4.13	5.46	9.11	-	1348.24
Deductions / Adjustments	35.10	-	54.55	-	-	-	11.88	-	101.52
Balance as at March 31, 2022	440.46	2119.86	17216.25	1704.09	43.77	63.85	31.08	71.22	21690.58
Accumulated Depreciation									
Opening Accumulated depreciation	-	593.36	4410.23	841.24	26.80	43.44	18.86	62.40	5996.32
Depreciation charge during the year	-	59.30	665.42	111.84	1.91	4.60	8.18	.96	852.21
Disposal/Adjustments	-	-	25.30	-	-	-	11.28	-	36.58
Closing Accumulated depreciation	-	652.66	5050.35	953.07	28.71	48.04	15.76	63.35	6811.95
Net Carrying amount as at 31.03.2022	440.46	1467.20	12165.90	751.02	15.06	15.81	15.32	7.86	14878.63
Gross carrying value									
Balance as at April 01, 2020	465.88	1995.14	14915.39	1493.69	38.46	54.65	49.02	71.22	19083.45
Additions	9.68	13.69	1317.20	141.92	1.18	3.74	6.65	-	1494.06
Deductions / Adjustments	-	-	111.81	-	-	-	21.83	-	133.64
Balance as at March 31, 2021	475.56	2008.82	16120.78	1635.60	39.64	58.39	33.85	71.22	20443.87
Accumulated Depreciation									
Opening Accumulated depreciation	-	533.33	3842.77	724.80	25.26	39.40	32.81	61.44	5259.82
Depreciation charge during the year	-	60.02	614.06	116.44	1.54	4.04	6.79	.96	803.84
Disposal/Adjustments	-	-	46.60	-	-	-	20.74	-	67.34
Closing Accumulated depreciation	-	593.36	4410.23	841.24	26.80	43.44	18.86	62.40	5996.32
Net Carrying amount as at 31.03.2021	475.56	1415.47	11710.56	794.37	12.84	14.95	14.98	8.82	14447.54

3.1 The company has not carried out any revaluation of property, plant and equipment during the current or previous reporting year.

3.2 Property, plant and equipment pledged as security

Refer to Note no 24 for information on property, plant and equipment pledged as security by the Company



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

4 CAPITAL WORK IN PROGRESS (Assets under installation)

Particulars	Buildings	Plant and equipment	Total Capital Work in progress
As at April 01, 2021	–	120.68	120.68
Additions	91.56	1420.59	1512.15
Deductions / Capitalised	91.56	1237.98	1329.54
As at March 31, 2022	–	303.30	303.30
As at April 01, 2020	–	310.46	310.46
Additions	13.69	1269.34	1283.03
Deductions / Capitalised	13.69	1459.11	1472.80
As at March 31, 2021	–	120.68	120.68

4.1 Capital Work in Progress – Ageing Schedule :

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1–2 Years	2–3 Years	More than 3 Years	
AS AT 31-03-2022					
Project in Progress					
Capital Expenditure related to Plant & Machinery	303.30	–	–	–	303.30
Capital Expenditure related to Buildings	–	–	–	–	–
Total	303.30	–	–	–	303.30
AS AT 31-03-2021					
Project in Progress					
Capital Expenditure related to Plant & Machinery	120.68	–	–	–	120.68
Capital Expenditure related to Buildings	–	–	–	–	–
Total	120.68	–	–	–	120.68

5 OTHER INTANGIBLE ASSETS

Particulars	Computer Software Purchased	Technical Know How	Product Registration	Total Intangible Assets
Gross carrying value				
Balance as at April 01, 2021	1.79	40.70	42.11	84.60
Additions	–	–	8.62	8.62
Disposals	–	–	–	–
As at March 31, 2022	1.79	40.70	50.73	93.22
Amortisation				
As at April 01, 2021	1.72	40.70	15.10	57.52
Charge for the year	–	–	12.68	12.68
Disposal	–	–	–	–
As at March 31, 2022	1.72	40.70	27.78	70.20
Net Carrying amount as at 31.03.2022	.07	–	22.95	23.02





Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

5 OTHER INTANGIBLE ASSETS (Contd..)

Particulars	Computer Software Purchased	Technical Know How	Product Registration	Total Intangible Assets
Gross carrying value				
Balance as at April 01, 2020	1.79	40.70	9.15	51.64
Additions	-	-	32.96	32.96
Disposals	-	-	-	-
As at March 31, 2021	1.79	40.70	42.11	84.60
Amortisation				
As at April 01, 2020	1.72	40.70	4.57	46.99
Charge for the year	-	-	10.53	10.53
Disposal	-	-	-	-
As at March 31, 2021	1.72	40.70	15.10	57.52
Net Carrying amount as at 31.03.2021	.07	-	27.01	27.08

5.1 The company has not carried out any revaluation of intangible assets during the current or previous reporting year.

6 INTANGIBLE ASSETS UNDER DEVELOPMENT

Intangible Assets under development	Product Registration	Total Capital Work in progress
As at April 01, 2021	17.02	17.02
Additions	21.41	21.41
Deductions	8.62	8.62
As at March 31, 2022	29.81	29.81
As at April 01, 2020	51.28	51.28
Additions	-	-
Deductions	34.26	34.26
As at March 31, 2021	17.02	17.02

6.1 Capital Work in Progress – Ageing Schedule :

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
AS AT 31-03-2022					
Project in Progress					
Product Registration	21.41	-	5.50	2.90	29.81
Total	21.41	-	5.50	2.90	29.81
AS AT 31-03-2021					
Project in Progress					
Product Registration	-	5.50	8.27	3.25	17.02
Total	-	5.50	8.27	3.25	17.02



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

7 FINANCIAL ASSETS – INVESTMENTS

Particulars	As at March 31, 2022	As at March 31, 2021
Investments in Equity Instruments (Unquoted)		
Investments in Subsidiary (Valued at cost unless stated otherwise)		
Bheema Fine Chemicals Private Limited (90,00,000 Equity Shares face value of ₹ 10/- each per Share) Previous Year (80,10,000 Equity Shares)	900.00	801.00
Total	900.00	801.00

8 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Security Deposits	319.85	224.93
Balances with Banks:		
In Margin Money accounts with maturity for more than 12 months from balance sheet date.	172.01	162.42
In Fixed deposit accounts with maturity for more than 12 months from balance sheet date.	66.98	58.16
Interest accrued on margin money & fixed deposits	18.09	19.18
Total	576.93	464.69

9 OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured – considered good unless otherwise stated		
Capital Advances	66.40	31.32
Total	66.40	31.32

10 INVENTORIES

Particulars	As at March 31, 2022	As at March 31, 2021
Valued at Cost or net realisable value whichever is lower		
Raw Materials	2560.95	1755.46
Raw Materials in bonded ware house	990.06	67.07
Work in progress	1044.01	938.48
Finished Goods	1796.95	2023.37
Packing Materials	36.51	21.35
Coal & Fuel	80.18	80.39
Stores, spares & consumables	284.67	151.44
Total	6793.33	5037.54

10.1 Hypothecated as charge against short term-borrowings. Refer note no 24



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

11 TRADE RECEIVABLE

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured:		
Considered good	9658.86	5965.78
Which have significant increase in credit risk	-	-
Credit impaired	11.60	3.37
	9670.46	5969.16
Less : Allowance for bad and doubtful debts – Credit impaired	11.60	3.37
Total	9658.86	5965.78

11.1 Receivable from related parties

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor from firms or Private companies in which a director is interested as on 31.03.2022. As on 31.03.2021, a receivable amount of ₹ Nil was due under this category.

11.2 The net carrying value of trade receivables is considered a reasonable approximation of fair value.

11.3 Ageing of trade receivables (Current) :

As at 31.03.2022

Particulars	Not due	Outstanding of the following periods from due date of receipt					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables – Considered good	9033.54	625.25	.08	-	-	-	9658.86
Undisputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	11.60	11.60
Disputed Trade Receivables – Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-

As at 31.03.2021

Particulars	Not due	Outstanding of the following periods from due date of receipt					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables – Considered good	5065.61	888.57	-	1.12	10.48	-	5965.78
Undisputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	3.37	3.37
Disputed Trade Receivables – Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

12 CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks in current accounts	15.77	24.36
Balances with banks in EEFC accounts	201.75	3.81
Balances with banks in unclaimed dividend accounts	1.65	2.38
Deposits with original maturity of less than 3 months	-	-
Cash on hand	.65	1.32
Total	219.83	31.87

13 OTHER BANK BALANCES

Particulars	As at March 31, 2022	As at March 31, 2021
Margin Money with original maturity of more than 3 months but less than 12 months	81.56	26.09
Total	81.56	26.09

14 CURRENT FINANCIAL ASSETS – LOANS

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Loan to Subsidiary	40.49	-
Total	40.49	-

15 OTHERS FINANCIAL ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Current (Unsecured – considered good unless otherwise stated)		
Staff Advances	3.19	3.12
Accrued Interest on deposits	10.31	10.80
Total	13.50	13.92

16 CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax refund receivable	1.03	15.34
Total	1.03	15.34





Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

17 OTHER CURRENT ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Current (Unsecured – considered good unless otherwise stated)		
Advance to suppliers	100.74	12.85
Advance towards expenses	21.71	40.08
Prepaid Expenses	136.71	128.32
Paid towards Rights issue expenses (to be adjusted against right issue proceeds)	50.32	-
Balance with statutory/Government Authorities	297.59	127.34
Excess of plan assets over obligations	6.48	1.78
Total	613.54	310.37

18 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
15,000,000 Equity Shares of ₹ 10/- each (Previous Year 10,000,000)	1500.00	1000.00
Total	1500.00	1000.00
Issued & Subscribed		
83,58,800 Equity Shares of ₹ 10/- each, Fully Paid up	835.88	835.88
	835.88	835.88
Paid up		
83,09,700 (Previous Year 83,09,700) Equity Shares of ₹10/- each with Voting Rights		
Fully Paid up	830.97	830.97
Less: Forfeited shares (amount originally paid up)	2.46	2.46
Total	833.43	833.43

18.1 Reconciliation of Number of Shares:

Particulars	As at March 31, 2022	As at March 31, 2021
Number of Equity Shares at the beginning of the year	83,09,700	83,09,700
Add: Number of shares issued during the year	-	-
Number of Equity Shares at the end of the year	83,09,700	83,09,700

18.2 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.

18.3 Shares held by Associate Company :

Particulars	As at March 31, 2022	As at March 31, 2021
	Number of Shares	Number of Shares
Greenpath Energy Pvt Ltd	3,86,000	3,86,000



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

18.4. Details of Shares held by Shareholders holding more than 5% of the Aggregate Shares in the Company :

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹ 10/- each held by:				
Sri. Singavarapu Chandra Sekhar	12,87,300	15.49%	12,87,300	15.49%
Ratnabali Investment Private Limited	11,59,140	13.95%	11,59,140	13.95%
Sri. R Venkata Narayana	6,28,497	7.56%	6,27,230	7.55%
Rajasthan Gum Private Limited	5,09,543	6.13%	5,09,543	6.13%

18.4.1. As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

18.4.2 Details of Shares held by Promoters at the end of the Year :

18.4.2 (a) As at 31.03.2022

Promoter Name	No . of shares	% of Total Shares	% of change during the year
Sri. Singavarapu Chandra Sekhar	12,87,300	15.49%	0.00%
Greenpath Energy Private Limited	3,86,000	4.65%	0.00%
Smt. Edara Jayalaxmi	2,00,213	2.41%	0.00%
Sri. Dodda Sadasivudu	63,600	0.77%	0.00%
Smt. Singavarapu Lalitha Sree	60,000	0.72%	0.00%
Sri. Kudaravalli Rama Krishna	25,000	0.30%	0.00%
Smt. Kudaravalli Sri Lakshmi	24,500	0.29%	0.00%
Sri. T Kalyan Chakravarthi	10,000	0.12%	0.00%
Smt. K Baby	10,000	0.12%	0.00%
Smt. Potini Vijaya Lakshmi	2,570	0.03%	0.00%

18.4.2 (b) As at 31.03.2021

Promoter Name	No . Of shares	% of Total Shares	% of change during the year
Sri. Singavarapu Chandra Sekhar	12,87,300	15.49%	0.00%
Greenpath Energy Private Limited	3,86,000	4.65%	0.00%
Smt. Edara Jayalaxmi	2,00,213	2.41%	0.00%
Sri. Dodda Sadasivudu	63,600	0.77%	0.00%
Smt. Singavarapu Lalitha Sree	60,000	0.72%	0.00%
Sri. Kudaravalli Rama Krishna	25,000	0.30%	0.00%
Smt. Kudaravalli Sri Lakshmi	24,500	0.29%	0.00%
Sri. T Kalyan Chakravarthi	10,000	0.12%	0.00%
Smt. K Baby	10,000	0.12%	0.00%
Smt. Potini Vijaya Lakshmi	2,570	0.03%	0.00%

18.5 The Company has not allotted any equity shares as fully paid up without receiving cash or as bonus shares or bought back any equity shares.

18.6 Dividend

The Board of Directors proposed payment of ₹ 2/- @ 20% per equity share as Final Dividend for the financial year ended March 31, 2022 (March 31, 2021 ₹ Nil per share).

An interim dividend of ₹ 1/- per share aggregating to ₹83.09 Lakhs was declared and paid during the financial year.



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

19 OTHER EQUITY

Particulars	As at March 31, 2022	As at March 31, 2021
Securities Premium		
Balance at the beginning of the year	5524.76	5524.76
General Reserve		
Balance at the beginning of the year	902.74	902.74
Retained earnings		
Balance at the beginning of the year	8322.28	5963.57
Less : Equity Dividend (₹ 1/ per equity Share)	83.10	-
Add: Profit for the year	3590.26	2346.42
Less: Other Comprehensive Income/ Loss net of deferred tax	(73.29)	12.29
Balance at the end of the year	11756.15	8322.28
Total	18183.65	14749.78

20 FINANCIAL LIABILITIES – BORROWINGS

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current Borrowings		
Term Loan (Secured)		
From Axis Bank Ltd	1000.33	1346.79
From State Bank Of India	277.83	314.06
Other Loans (Unsecured)		
Sales tax deferment	198.23	184.24
Loans from related parties (Unsecured)		
From Intercorporates	-	217.98
From directors	-	288.64
	1476.40	2351.72
Current Maturities of non current borrowings		
Term Loan (Secured)		
From Axis Bank Ltd	293.55	342.97
From State Bank Of India	72.50	6.04
Other Loans (Unsecured)		
Sales tax deferment	107.34	62.20
Loans from related parties (Unsecured)		
Loan from Intercorporates	-	2.98
Loan from directors	-	15.60
	473.38	429.79
Total	1003.01	1921.93

20.1 Details of Indian Rupee Term Loan from banks are as under:

Name of the Bank/Others	Amount	Number of Installments	Commencement of Installments	Effective Interest Rate
From Axis Bank Ltd				
Term Loan II				
Sanction Amount	750.00	16 Quarterly	October 2018	As on 31.03.2022 MCLR of 7.35% plus spread 0.55%
Outstanding As on 31-03-2022	33.88	installments of		p.a. (As on 31.03.2021
Outstanding As on 31-03-2021	221.19	0.47 Cr. Each		MCLR of 7.40% plus spread 1.85% p.a)



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

20 FINANCIAL LIABILITIES – BORROWINGS (Contd..)

Name of the Bank/Others	Amount	Number of Installments	Commencement of Installments	Effective Interest Rate
Term Loan III				
Sanction Amount	1000.00	20 Structured	November 2020	As on 31.03.2022 MCLR of
Outstanding As on 31-03-2022	797.40	stepped up		7.35% plus spread 0.55%
Outstanding As on 31-03-2021	946.08	quarterly		p.a. (As on 31.03.2021
		installments First		MCLR of 7.40% plus
		4 – 0.25 Cr. each,		spread 1.85% p.a.)
		next 12 – 0.50 Cr.		
		Each & last 4 –		
		0.75 Cr. Each		
From State Bank Of India (GECL 2.0)				
Sanction Amount	290.00	48 Monthly	March 2022	As on 31.03.2022 MCLR of
Outstanding As on 31-03-2022	277.83	Installments of		6.65% plus spread 1.10%
Outstanding As on 31-03-2021	291.96	0.06 Cr. Each after		p.a. (As on 31.03.2021
		a Moratorium of		MCLR of 6.95% plus
		12 Months		spread 1.0% p.a.)
From Axis Bank Ltd (GECL 2.0)				
Sanction Amount	179.00	36 Monthly	March 2022	As on 31.03.2022 MCLR of
Outstanding As on 31-03-2022	169.06	Installments of		7.35% plus spread 0.55%
Outstanding As on 31-03-2021	179.52	0.05 Cr. Each after		p.a. (As on 31.03.2021
		a Moratorium of		MCLR of 6.95% plus
		12 Months		spread 1.0% p.a.)

- 20.2** Term loans II & III sanctioned by Axis Bank Ltd are secured by exclusive first charge on fixed assets created out of the term loans extended by the term lender and pari passu first charge on the movable fixed assets (Except vehicles) and immovable fixed assets of the Company (including EM of the Company land and buildings but excluding agricultural lands lying in the name of the Company not charged to any bank) along with other lenders and personal guarantee of Sri S Chandra Sekhar, Managing Director of the Company & Smt. S Lalitha Sree, Director of the Company.
- 20.3** Term Loans sanctioned under GECL 2.0 of ₹ 290 Lakhs & ₹ 179 Lakhs by State Bank of India & Axis Bank Ltd, respectively are secured by extension of charge / security interest (both primary & collateral) currently secured to the banks for their existing credit facilities on a second ranking basis.
- 20.4** Government of Andhra Pradesh vide letter No.20/2/6/1369/ID dated 08-10-1996 and letter No.30/1/2002/0300/0300/ FD dated 10-04-2002 had sanctioned sales tax deferment for an amount of ₹ 918.54 Lakhs and ₹ 514.51 Lakhs respectively for a period of 14 years to the Company in respect of Chlorpyrifos plant. The sanction of ₹ 918.54 Lakhs under letter No.20/2/6/1369/ID dated 08-10-1996 has expired its utilization on 28th February, 2010 and sanction of ₹ 514.51 Lakhs under letter No.30/1/2002/0300/0300/FD dated 10-04-2002 has expired its utilisation on 14th February, 2016. The Company has availed an aggregate deferment loan of ₹ 563.17 Lakhs under the above sanctions. The repayment has commenced and an amount of ₹ 266.70 Lakhs has been paid. However, the deferment amount payable for the years 19-20, 2020-21 & 2021-22 aggregating to ₹ 62.20 Lakhs was placed in the form of fixed deposits with banks as per orders of the Honourable High Courts of AP & TG. Thus the liability under sales tax deferment reflected is inclusive of the above deposits.
- 20.5** Loans availed from Inter corporates have been taken with the repayment period of two years from the date of availing such loan. The Interest is paid at the rate of 8.5% per annum on the principal outstanding.
- 20.6** Loans availed from Directors have been taken with the repayment period of two years from the date of availing such loan. The Interest is paid at the rate of 8.5% per annum on the principal outstanding.
- 20.7** The company has not been declared a wilful defaulter (as defined by RBI Circular) by any bank or financial Institution or other lender.



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

20 FINANCIAL LIABILITIES – BORROWINGS (Contd..)

20.8 The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

20.9. a. The Company has not obtained term loan from any Bank/ Financial Institution during the financial year 2021-22.

20.9. b. The Company has obtained term loan from following Bank/ Financial Institution during the financial year 2020-21.

Particulars of Loans	Amount ₹ in Lakhs	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If no, mention the purpose for which it is utilised
1) Term Loan obtained from Axis Bank Ltd	1000	Towards Capital expenditure in property plant and equipment	Yes	–
2) Term Loan (GECL) obtained from Axis Bank Ltd	179	Working Capital Term Loan	Yes	–
3) Term Loan (GECL) obtained from State Bank of India	290	Working Capital Term Loan	Yes	–
4) Term Loan (CCECL) obtained from State Bank of India	140	Working Capital Term Loan	Yes	–

20.10 Net Debt Reconciliation

Particulars	As at March 31, 2022	As at March 31, 2021
Analysis of net debts and movement in net debts for each of the period presented:		
Current Borrowings	7051.47	4311.67
Non-current borrowings	1003.01	1921.93
Net Debt	8054.49	6233.60

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings *	
Net debt as on April 1, 2020	742.72	3544.56	4287.28
Cash Flows (Net)	1179.21	767.11	1946.32
Net debt as at March 31, 2021	1921.93	4311.67	6233.60
Cash Flows (Net)	(918.91)	2739.80	1820.89
Net debt as at March 31, 2022	1003.01	7051.47	8054.49

* Includes current maturities of Long Term Debt

21 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Other non current liabilities		
Deferred income on government grants	121.98	137.22
Total	121.98	137.22



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

22 PROVISIONS

Particulars	As at March 31, 2022	As at March 31, 2021
Non current provisions		
For Gratuity & Compensated Absence	3.75	-
Short Term Provisions		
For Gratuity & Compensated Absence	45.76	18.55
Total	49.52	18.55

23 DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets relating to:		
Unused tax losses/depreciation	-	-
Expenses allowable on payment basis	14.42	70.09
Relating to Ind AS adjustments	-	-
Total deferred tax assets	14.42	70.09
Deferred tax liabilities relating to:		
On Property, plant and equipment	1726.81	1576.78
Relating to Ind AS adjustments	(25.06)	4.24
Total deferred tax liabilities	1701.75	1581.02
Deferred tax Liabilities (Net)	(1687.33)	(1510.93)
Add: MAT credit entitlement	889.43	1355.25
Total deferred tax liabilities (net)	797.90	155.68

23.1 DEFERRED TAX ASSETS/(LIABILITIES)

For the year ended March 31, 2022

PARTICULARS	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(1576.78)	(150.03)	-	(1726.81)
MAT credit Entitlement	1355.25	(465.82)	-	889.43
Expenses allowed on payment basis	70.09	(55.67)	-	14.42
Other items giving rise to temporary differences	(4.24)	(.81)	30.11	25.06
	(155.68)	(672.33)	30.11	(797.90)

For the year ended March 31, 2021

Promoter Name	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(1342.11)	(234.67)	-	(1576.78)
MAT credit Entitlement	917.98	437.27	-	1355.25
Unused tax losses/depreciation	572.95	(572.95)	-	.00
Expenses allowed on payment basis	53.72	16.37	-	70.09
Other items giving rise to temporary differences	(38.01)	38.82	(5.05)	(4.24)
	164.53	(315.16)	(5.05)	(155.68)



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

24 FINANCIAL LIABILITIES – BORROWINGS

Particulars	As at March 31, 2022	As at March 31, 2021
Current Borrowings		
Loans repayable on demand		
Working capital loans (Secured)		
From State Bank of India	1074.72	1048.39
From Axis Bank Ltd	1401.43	1390.48
From RBL Bank Ltd	705.54	168.34
From ICICI Bank LTD	757.14	500.00
Bill discounting facilities from banks (Unsecured)		
From Axis Bank Ltd	1677.45	-
From Shinhan Bank	-	531.86
From RBL Bank Ltd	808.92	227.56
Credit card due (Unsecured)		
Axis PGSI Card	137.64	-
Current Maturities of long term debts		
Term Loan (Secured)		
From Axis Bank Ltd	293.55	342.97
From State Bank Of India	72.50	6.04
Other Loans (Unsecured)		
Sales tax deferment	107.34	62.20
Loans from related parties (Unsecured)		
From Intercorporates	-	2.98
From directors	-	15.60
Deferred income on government grants	15.25	15.25
Total	7051.47	4311.67

24.1 Details of Indian Rupee Working Capital Loan from banks are as under:

Name of the Bank	Balance		Effective Interest Rate	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans repayable on demand – Secured				
From State Bank of India	1074.72	1048.39	7.95%	9.50%
From Axis Bank Ltd	1401.43	1390.48	7.90%	9.25%
From RBL Bank Ltd	705.54	168.34	8.35%	9.05%
From ICICI Bank LTD	757.14	500.00	8.50%	8.15%
Loans repayable on demand – Unsecured				
From Axis Bank Ltd	1677.45	-	4.50%	-
From Shinhan Bank	-	531.86	-	"ILC – 6.50% FLC – 2.40%"
From RBL Bank Ltd	808.92	227.56	7.00%	3.80%
Axis PGSI Card	137.64	-	7.80%	-

24.2 Working Capital Facilities :

Working capital facilities extended by State Bank of India, Axis Bank Ltd, RBL Bank Ltd & ICICI Bank Ltd are secured as mentioned below.



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

24 FINANCIAL LIABILITIES – BORROWINGS (Contd..)

1. For Limits sanctioned by SBI, Axis & RBL Banks

i) Primary Security for working capital loans:

Pari Passu first charge on current assets of the Company.

ii) Collateral Security :

Paripassu first charge on movable fixed assets of the Company (both present and future) except vehicles and assets created out of term loans from Axis Bank Ltd and equitable mortgage of the company's factory land and buildings in an extent of 71.68 acres situated at Cheruvukommupalem, Ongole.

Pari Passu Second charge is available to SBI, ICICI Bank Ltd & RBL Bank Ltd by way of hypothecation on the movable fixed assets of the Company financed by Axis Bank Ltd.

iii) Primary security for Term Loans sanctioned by Axis Bank Limited- Exclusive charge by way of hypothecation on the assets created out of term loans sanctioned by Axis Bank Limited.

iv) Personal Guarantee of Sri. S Chandra Sekhar, Managing Director and Smt. S Lalitha Sree Director of the Company.

2. For Limits sanctioned by ICICI Bank Ltd, the following securities are stipulated- Cash Credit and LC limits

i. Primary Security:

First Paripassu charge on current assets of the company, both present and future along with other working capital member banks.

ii. Collateral securities:

First paripassu charge on entire fixed assets (Movable and Immovable) (except vehicles and assets financed exclusively by other banks and assets financed by Axis bank by way of term loans) both present and future along with other working capital member banks on Factory land and building property in Cheruvukommupalem, Prakasam district, Andhra Pradesh

iii) Second Paripassu charge on movable fixed assets of the company created out of term loans from Axis bank.

3. For Limits sanctioned by ICICI Bank Ltd, the following securities are stipulated- Over Draft Limit

i) Primary Security:

First Paripassu charge on current assets of the company, both present and future along with other working capital member banks.

ii) Collateral securities:

First paripassu charge on entire fixed assets (Movable and Immovable) (except vehicles and assets financed exclusively by other banks and assets financed by Axis bank by way of term loans) both present and future along with other working capital member banks on Factory land and building property in Cheruvukommupalem, Prakasam district, Andhra Pradesh

iii) Second Paripassu charge on movable fixed assets of the company created out of term loans from Axis bank.

iv) Exclusive collateral in the name of Bheema Fine Chemicals Pvt Ltd, situated at village Kadachur, Hobli, 585102, Yadgir dist, Karnataka of leasehold industrial land in 33.90 acres.

v) The facilities are secured by personal guarantees of Mr S Chandra Sekhar and Smt. S. Lalitha Sree, Directors.





Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

24 FINANCIAL LIABILITIES – BORROWINGS (Contd..)

24.3 The Company has obtained working capital loan from following Bank/ Financial Institution:

a. During the financial year 2021-22 :

Particulars of Loans	Limit Sanctioned ₹ in Lakhs (Incl. Non Fund Based)	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If no, mention the purpose for which it is utilised
ICICI Bank Ltd	2,500	Working Capital Requirements	Yes	–

b. During the financial year 2020-21 :

Particulars of Loans	Limit Sanctioned ₹ in Lakhs (Incl. Non Fund Based)	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If no, mention the purpose for which it is utilised
RBL Bank Ltd	1,000	Working Capital Requirements	Yes	–

24.4 The company has not been declared a wilful defaulter (as defined by RBI Circular) by any bank or financial Institution or other lender.

24.5 The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

25 TRADE PAYABLE

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured considered good:		
Total outstanding dues of micro enterprises and small enterprises	404.98	87.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	5053.64	4543.57
Total	5458.62	4630.62

25.1 Dues to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 (27 of 2006)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid	404.98	87.05
Interest due thereon	–	–
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the period/year	–	–
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period/year) but without adding the interest specified under MSMED Act, 2006	–	–
Interest accrued and remaining unpaid as at balance sheet date	–	–
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	–	–
Total	404.98	87.05



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

25 TRADE PAYABLE (Contd..)

25.2 The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of Micro and Small Enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2022 has been made in the financial statements based on information received and available with the Company.

25.3 Trade Payables ageing schedule :

As at 31.03.2022

Particulars	Payable not due	Outstanding of the following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	404.98	-	-	-	-	404.98
Others	4343.71	709.93	-	-	-	5053.64
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

As at 31.03.2021

Particulars	Payable not due	Outstanding of the following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	87.05	-	-	-	-	87.05
Others	4520.65	22.71	-	-	.21	4543.57
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

26 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Creditors	274.25	230.68
Unpaid dividends	1.65	2.38
Other Payables - Expenses	301.32	267.86
Total	577.23	500.92

26.1 Unpaid dividends will be credited to investors education and protection fund as and when due.

27 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Dues	48.80	41.52
Total	48.80	41.52





Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

28 PROVISIONS

Particulars	As at March 31, 2022	As at March 31, 2021
Short Term Provisions		
For Gratuity & Compensated Absence	45.76	18.55
Total	45.76	18.55

29 CURRENT TAX LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Income tax (Net of Advance tax and TDS/TCS)	74.62	8.95
	74.62	8.95

30 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products		
Manufactured products	43083.15	30858.43
Traded Goods	374.05	892.72
Sale of Services		
Other Operating Revenues		
Export Incentives	107.79	36.60
Scrap Sales	1.75	2.03
Total Revenue from operations	43566.74	31789.77

30.1 Export and other incentives have been recognized upon realization of export sale proceeds and receipt of duty credit scrip under MEIS Scheme which is replaced by RoDTEP.

30.2 DETAILS OF SALE OF PRODUCTS :

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Manufactured products - Domestic	32541.51	23706.59
Manufactured products - Export	10541.64	7151.83
Traded Goods - Sale of Raw Materials	374.05	892.72

31 OTHER INCOME

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income on		
Deposits and Margin money held	28.76	25.41
Gain on foreign currency transactions & translations	13.87	16.38
Government Grant amortised	15.25	15.25
Miscellaneous Income	29.19	6.78
Total	87.07	63.81



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

32 COST OF MATERIAL CONSUMED

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Raw Material Consumption		
Inventory at the beginning of the year	1755.46	1819.60
Add: Purchases	27642.24	18428.72
	29397.69	20248.32
Less: Inventory at the end of the year	2560.95	1755.46
Cost of raw material consumed	26836.74	18492.87
Purchase of traded goods	374.05	892.72
Packing Material Consumption		
Inventory at the beginning of the year	21.35	16.63
Add: Purchases	353.03	230.08
	374.38	246.71
Less: Inventory at the end of the year	36.51	21.35
Cost of packing material consumed	337.87	225.37
Total	27548.66	19610.95

33 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the beginning of the year		
Work-In-Progress	938.48	894.94
Finished goods	2023.37	2542.20
	2961.85	3437.14
Inventories at the end of the year		
Work-In-Progress	1044.01	938.48
Finished goods	1796.95	2023.37
	2840.96	2961.85
Increase/(Decrease) in inventories of finished goods and work-in-progress	120.89	475.29

34 EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries & Wages	1833.19	1476.97
Directors' Remuneration & Commission	165.00	150.00
CEO Commission	20.34	23.46
Contribution to provident fund & other funds	134.57	109.05
Gratuity Expenses	32.55	25.95
Compensated absence	23.60	21.66
Staff Welfare Expenses	178.28	135.10
Total	2387.53	1942.20



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

35 FINANCE COST

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on term loan	124.97	110.09
Interest on working capital loan	219.18	214.24
Interest towards delay payment of statutory dues	9.39	.00
Interest to others	151.03	143.06
Interest on financial liabilities recognised on amortised cost	14.00	16.75
Bank Charges & Processing Fee	71.13	82.69
Cash Discount	318.10	259.58
Total	907.80	826.42

36 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation	852.21	803.84
Amortization	12.68	10.53
Total	864.89	814.37

37 OTHER EXPENSES

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Manufacturing Expenses :		
Consumption of stores, spares & consumables	1116.30	780.76
Power and Fuel	3104.71	2447.00
Insurance	109.07	114.23
Effluent treatment expenses	480.16	349.20
Freight Inwards	8.53	7.17
Water Transport Charges	71.59	48.22
Testing and Lab charges	4.30	11.55
Factory maintenance	136.16	85.92
Repairs & maintenance		
Plant and machinery	207.30	191.00
Buildings	243.70	184.92
Others	4.64	6.64
	5486.47	4226.61
Administration, Selling and Other Expenses		
Rent	34.70	18.00
Rates and taxes	21.87	43.96
Research & Development expenses	143.74	115.59
Printing and stationery	25.45	18.09
Consultancy and other professional charges	117.02	107.54
Remuneration to auditors		
Audit Fee	8.00	8.00



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

37 OTHER EXPENSES (Contd..)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Tax audit fee	–	1.00
Remuneration to cost auditors	1.00	1.00
Remuneration to Internal Auditors	2.50	2.50
Travelling and conveyance (Including foreign travel ₹ 5.68 lakhs/- Previous Year – Nil)	24.58	9.05
Communication expenses	13.80	11.61
Vehicle Maintenance	47.86	29.79
Other selling expenses	507.44	276.41
Miscellaneous Expenses	243.30	191.87
	1191.26	834.41
Total	6677.73	5061.02

38 Exceptional Item – Insurance Claim :

An amount of ₹ 105 Lakhs was received during the financial year 2020–21 as full & final settlement under the reinstatement policy for damage to Civil structures, Plant and Electrical Equipment which was disclosed as Income from Insurance claim as exceptional item.

39 Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Other comprehensive income not to be reclassified to profit or loss in subsequent periods:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Remeasurement costs on net defined benefit liability	(103.40)	17.33
Deferred tax effect on remeasurement costs on net defined benefit liability	30.11	(5.05)
Total	(73.29)	12.29

40 Details of Expenses on Corporate Social Responsibility Activities

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Amount required to be spent by the Company during the year	46.89	21.53
Amount of expenditure incurred	46.89	25.87
Shortfall at the end of the year	–	–

Nature of CSR activities – For promotion of Healthcare, Environmental Sustainability & Education.

As Per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2022 was ₹ 46.89 Lakhs Computed at 2% of its average net profits for the immediately preceding three financial years, on Corporate Social Responsibility (CSR). The Company spent an amount of ₹ 46.89 Lakhs against this obligation for promotion of Healthcare, Environmental Sustainability & Education.





Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

41 TAXES

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a. Income Tax Expense recognised in the Statement of Profit & Loss:		
Current Tax	881.10	567.15
Adjustment for MAT	465.82	(437.27)
Deferred tax Charge/(Credit)	206.51	752.43
Earlier years Tax	2.63	-
Total Income tax Expenses recognised in statement of profit & loss	1556.06	882.31
Net (gain)/ loss on Measurement of Defined Benefit plan net of Deferred tax Charged/(Credit) to OCI	(73.29)	12.29
b. Reconciliation of effective tax rate:		
Profit before tax (A)	5146.31	3228.73
Enacted tax rate in India (B)	29.12%	27.82%
Expected Tax Expenses (C=A*B)	1498.61	898.23
Adjustments for permanent difference:		
Weighted deduction U/s 35 (2AB) under the Income Tax Act,1961	-	(12.84)
Expenses not deductible for tax purpose	55.10	23.65
Tax due to change in tax rate	7.01	(7.35)
Others	135.19	(60.70)
Total	197.29	(57.23)
Profit after adjusting permanent difference	5343.60	3171.50
Expected Tax expenses	1556.06	882.31
Total Tax expense	1556.06	882.31

42 EARNINGS PER SHARE

42.1 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.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

42.2 The Basic and diluted EPS per share is given hereunder

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
Profit / (Loss) as per Profit and Loss Account	₹	3590.26	2346.42
Net Profit / (Loss) attributable to Equity Share holders	₹	3590.26	2346.42
Equity Shares outstanding at the beginning of the year	Nos.	83,09,700	83,09,700
Equity Shares outstanding at the close of the year	Nos.	83,09,700	83,09,700
Weighted average No of equity shares in computing basic EPS	Nos.	83,09,700	83,09,700
Weighted Average number of Equity Shares in computing diluted earnings per share	Nos.	83,09,700	83,09,700
Face value of each equity share	₹	10	10
Earnings per share			
- Basic (₹)	₹	43.21	28.24
- Diluted (₹)	₹	43.21	28.24



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

43 Employee benefits

43.1 Gratuity

Defined Benefit Plans

The Company has a defined benefit gratuity plan governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure, at 15 days salary for each completed year of service. The scheme is funded through a policy with Life Insurance Corporation of India. The following tables summarize net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

Particulars	March 31, 2022	March 31, 2021
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	36.53	24.80
Interest cost	(3.98)	1.15
Expected return on plan assets	-	-
Net actuarial(gain) / loss recognised in the period/ year	28.74	(5.27)
Benefits paid	(3.31)	1.60
Net employee benefit expenses	57.98	22.28
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	383.56	271.94
Fair value of plan assets	390.03	273.72
	(6.48)	(1.78)
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	271.94	257.11
Current service cost	36.53	24.80
Interest cost	18.11	16.75
Benefits paid	(20.44)	(17.80)
Remeasurement due to financial assumptions	48.67	(3.65)
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	28.74	(5.27)
Closing defined benefit obligation	383.56	271.94
D) Change in the fair value of plan assets		
Opening fair value of plan assets	273.72	202.52
Interest Income on Planned assets	22.09	15.60
Contributions	111.35	75.00
Benefits paid	(20.44)	(17.80)
Actuarial gain/(loss) on plan assets	3.31	(1.60)
Closing fair value of plan assets	390.03	273.72
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with Life Insurance Corporation of India	100.00%	100.00%
E) Remeasurement adjustments:		
Experience loss/ (gain)	28.74	(5.27)
Financial Assumptions loss/ (gain)	48.67	(3.65)
Return on Plan Assets	(3.31)	1.60
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	74.10	(7.32)





Notes to Standalone Financial Statements

for the year ended March 31, 2022

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43 Employee benefits (Contd..)

Particulars	March 31, 2022	March 31, 2021
i) The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Discount rate	7.35%	6.75%
Expected rate of return on assets	0.00%	0.00%
Salary rise	6.00%	4.00%
Attrition Rate	3.00%	3.00%

The estimates of future salary increases considered in the actuarial valuation, take in to account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

43.2 Leave Encashment

Defined Benefit Plans

Particulars	March 31, 2022	March 31, 2021
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	23.07	20.01
Interest cost	12.71	11.38
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the period/ year	2.77	(8.96)
Benefits paid	14.34	(10.79)
Net employee benefit expenses	52.89	11.65
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	249.95	185.84
Fair value of plan assets	200.44	167.30
	49.52	18.55
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	185.84	171.53
Current service cost	23.07	20.01
Interest cost	12.71	11.38
Benefits paid	(4.29)	(5.89)
Remeasurement due to financial assumptions	29.84	(2.24)
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	2.77	(8.96)
Closing defined benefit obligation	249.95	185.84
D) Change in the fair value of plan assets		
Opening fair value of plan assets	167.30	129.63
Expected return on plan assets	3.32	(1.18)
Contributions	34.11	44.73
Benefits paid	(4.29)	(5.89)
Actuarial gain/(loss) on plan assets	-	-
Closing fair value of plan assets	200.44	167.30
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with Life Insurance Corporation of India	100.00%	100.00%



Notes to Standalone Financial Statements

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43. Employee benefits (Contd..)

Particulars	March 31, 2022	March 31, 2021
E) Remeasurement adjustments:		
Experience loss/ (gain)	2.77	(8.96)
Financial Assumptions loss/ (gain)	29.84	(2.24)
Return on plan assets	(3.32)	1.18
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	29.30	(10.01)
i) The principal assumptions used in determining Leave Encashment for the Company's plans are shown below:		
Discount rate	7.35%	6.75%
Expected rate of return on assets	0.00%	0.00%
Salary rise	6.00%	4.00%
Attrition Rate	3.00%	3.00%

The estimates of future salary increases considered in the actuarial valuation, take into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

43.3 Defined Contribution Plan

Particulars	March 31, 2022	March 31, 2021
Contribution to Provident Fund	121.41	95.56
Contribution to Superannuation Fund	-	-

44 COMMITMENTS & CONTINGENCIES

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a. Commitments:		
Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	93.91	36.30
Total	93.91	36.30
b. Contingent Liabilities:		
i) Outstanding bank guarantees	10.00	10.00
ii) Letters of Credit	749.89	248.83
iii) Indirect Taxes – GST	65.69	-
iv) Indirect Taxes – Entry Tax	9.10	-
v) Indirect Taxes – CVD & SAD (Refer Note 45)	39.92	39.92
Total	874.60	298.75

45 During the year 2018–19, Company paid ₹ 26.21 Lakhs and ₹ 13.71 Lakhs on account of CVD and SAD towards shortfall quantity of their export obligation in respect of two advance authorization licences granted to it. The Company has filed for a refund of the CVD & SAD as per the provisions of Sec. 142(3) of CGST Act. Refund application of the Company has been rejected by the Asst. Commissioner of Central Taxes, CGST Division vide its order dated 14.05.2020. Later, the Company made an Appeal with the Commissioner of Appeals, which was also rejected, vide



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

order dated 30.10.2020. On 28.01.2021, the Company preferred further appeal with The Customs, Excise and Service Tax Appellate Tribunal Regional Bench, Hyderabad which is admitted by the Appellate Tribunal vide letter dated 21-06-2021. Hence, no provision is made in the books of the Company.

46 SEGMENT REPORTING :

a. BASIS OF SEGMENTATION

The company operates only in one business segment viz. 'manufacturing and sales of agro chemicals' and hence no separate information for primary segment wise disclosure is required.

b. GEOGRAPHIC INFORMATION:

The geographic information analyses the Company's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Segment revenue (based on the location of the customers)		
India	32915.57	24599.31
Europe	4070.02	-
North America	4294.71	4401.34
South America	1503.55	2348.12
Rest of the World	673.36	402.38
Total	43457.21	31751.14

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Segment assets (based on the location of the assets)		
India	16778.08	15909.34
Total	16778.08	15909.34

47 PAYMENTS TO AUDITORS (excluding GST & Service Tax)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A) Statutory auditors		
Statutory audit	8.00	8.00
	8.00	8.00
B) Cost auditors		
Audit fee	1.00	1.00
Filing fee	.05	.05
	1.05	1.05



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48 RESEARCH AND DEVELOPMENT

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Details of expenditure on R & D		
i) Details of Revenue expenditure		
Cost of Materials Consumed		
Laboratory Expenses and Consumables	85.05	65.15
Employee Benefits Expenses		
Salaries, Wages and Bonuses	48.05	50.44
Other Expenses		
Repairs and Maintenance	10.63	-
ii) Capital Expenditure		
Plant & Machinery	-	12.84
Building related material	-	-
	143.74	128.44

49 Disclosures where loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Year Ended March 31, 2022

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	Amount outstanding as at the balance sheet date	% of Total
KMPs		Not Applicable			-
Related Parties (Subsidiary)	Individually	Yes	No	40.49	100%
Total of Loan and Advances in the nature of Loan				40.49	100%

Year Ended 31.03.2021

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	Amount outstanding as at the balance sheet date	% of Total
KMPs		Not Applicable		-	-
Related Parties		Not Applicable		-	-
Total of Loan and Advances in the nature of Loan		-	-	-	-



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

50 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

AS AT 31-03-2022

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
Jun-21	State Bank of India, Axis Bank and RBL Bank	Inventory	5252.59	5290.72	(38.13)	Duty paid against the inventory lying in the warehouse is included while submitting stock statement
		Receivables	5872.51	5922.32	(49.81)	Advance payment to trade payables in shown as trade receivables while submitting stock statement
		Payables	3770.36	3770.36	.00	
Sep-21	State Bank of India, Axis Bank and RBL Bank	Inventory	6102.08	5912.02	190.06	Overhead costs are not apportioned to Work in Progress while submitting the stock statement
		Receivables	7228.96	7310.41	(81.45)	Advance payment to trade payables in shown as trade receivables while submitting stock statement
		Payables	4583.47	4594.09	(10.62)	Cheque given to Creditors is not cleared hence not considered while submitting the stock statement
Dec-21	State Bank of India, Axis Bank, RBL Bank and ICICI Bank	Inventory	6996.73	6947.12	49.60	Inventory lying in Warehouse is not considered while submitting stock statement & balance Difference is due to variation in Avg Price
		Receivables	6179.77	6225.89	(46.12)	Advance payment to trade payables in shown as trade receivables while submitting stock statement
		Payables	4382.14	4380.85	1.29	Due to wrong classification of one of the creditors it is not disclosed while submitting the stock statement.
Mar-22	State Bank of India, Axis Bank, RBL Bank and ICICI Bank	Inventory	6519.92	6515.80	4.12	Difference is due to variation in Avg Price
		Receivables	9658.86	9731.43	(72.57)	Advance payment to trade payables in shown as trade receivables while submitting stock statement
		Payables	4881.42	4881.96	(.54)	Balance is written off in the books after submitting the stock statement to the bank



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

50. (Contd...)

AS AT 31-03-2021

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies	
Jun-20	State Bank of India and Axis Bank	Inventory	4479.71	4486.29	(6.58)	Difference is due to variation in Avg Price	
		Receivables	2829.65	2886.75	(57.10)		—
		Payables	1336.20	1336.18	.02		—
Sep-20	State Bank of India and Axis Bank	Inventory	3570.17	3567.50	2.68	Difference is due to variation in Avg Price	
		Receivables	5071.03	5163.81	(92.79)		—
		Payables	2683.09	2709.66	(26.56)		Cheque given to Creditors is not cleared hence not considered while submitting the stock statement
Dec-20	State Bank of India, Axis Bank and RBL Bank	Inventory	4504.96	4502.50	2.46	Advance payment to trade payables in shown as trade receivables while submitting stock statement	
		Receivables	5255.54	5270.67	(15.13)		—
		Payables	3598.31	3598.31	.00		—
Mar-21	State Bank of India, Axis Bank and RBL Bank	Inventory	4886.11	4837.35	48.76	Inventory lying in Warehouse is not considered while submitting stock statement.	
		Receivables	5965.78	5979.14	(13.36)		Advance payment to trade payables in shown as trade receivables while submitting stock statement
		Payables	4412.97	4432.42	(19.45)		Cheque given to Creditors is not cleared hence not considered while submitting the stock statement



Notes to Financial Statements

for the year ended March 31, 2022

51 RATIOS :

(Amount in Indian Rupees in lakhs unless otherwise stated)

S No.	Particulars		March 31, 2022		March 31, 2021		Reason (If variation is more than 25%)		
	Numerator	Denominator	Numerator	Denominator	Numerator	Denominator			
(a)	Current Ratio	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	17422.14	13256.51	11400.92	9512.22	1.31	1.20	9.65% -
(b)	Debt-Equity Ratio	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	1476.40	19017.07	2351.72	15583.20	0.08	0.15	(48.56%) There is an improvement in profitability due to increased net margin and reduction in the debt.
(c)	Debt Service Coverage Ratio	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	5362.94	577.08	3987.21	429.56	9.29	9.28	0.12% -
(d)	Return on Equity Ratio	Net Income= Net Profits after taxes - Preference Dividend	3590.26	19017.07	2346.42	15583.20	0.19	0.15	3.82% Variance is due to the increase in operating margins
(e)	Inventory Turnover Ratio	Cost of Goods Sold	27669.55	5915.44	20086.25	5331.48	4.68	3.77	24.16%
(f)	Trade Receivables Turnover Ratio	Net Credit Sales	43458.96	7812.32	31753.17	3557.52	5.56	8.93	(37.68%) Variance is due to significant increase in credit sales during the last quarter of the year
(g)	Trade Payables Turnover Ratio	Net Credit Purchases	31521.98	5044.62	20458.43	3523.67	6.25	5.81	7.62%
(h)	Net Capital Turnover Ratio	Revenue	43653.81	3027.17	31853.58	717.70	14.42	44.38	(29.96) The variance is due to considerable improvement in the profitability while the turnover has not improved correspondingly.
(i)	Net Profit Ratio	Net Profit	3590.26	43653.81	2346.42	31853.58	0.08	0.07	0.01 -
(j)	Return on Capital Employed	EBIT= Earnings before interest and taxes	6054.11	20943.72	4055.15	17798.03	0.29	0.23	0.06 Revenue growth along with higher margin has resulted in an improvement in the ratio
(k)	Return on Investment	Net Profit	3590.26	19017.07	2346.42	15583.20	0.19	0.15	0.04 Revenue growth along with higher margin has resulted in an improvement in the ratio



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

52 Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Subsidiary	
Bheema Fine Chemicals Private Limited	Wholly owned subsidiary Company
Enterprises under the significant influence of persons having significant influence over this company	
Agnova Chemicals Pvt Ltd	Mr.Ketan Chamanlal Budh, Whole Time Director, is interested.
VNA Express & Logistic Solutions	Mr.Ketan Chamanlal Budh, Whole Time Director, is interested.
Enterprises under the control of persons having significant influence over this company	
Greenpath Energy Private Limited	Mr.S.Chandra Sekhar & Mrs.S.Lalitha Sree Directors, are interested.
Key Management Personnel	
Sri. K S Raju	Independent Director & Chairman
Sri. S Chandra Sekhar	Managing Director
Sri. Sudhakar Kudva	Independent Director
Sri. D Sada Sivudu	Independent Director (up to 10-08-2021)
Smt. S Lalitha Sree	Director
Sri. G S V Krishna Rao	Independent Director
Sri. Kishor Shah	Independent Director
Smt. G Aruna	Independent Director
Sri. Ketan Chamanlal Budh	Whole Time Director
Sri. A Arvind Kumar	Chief Executive Officer
Sri. B Krishna Mohan Rao	Chief Financial Officer
Smt. Saheli Banerjee	Company Secretary (upto 25-02-2022)
Smt. R Sharanya	Company Secretary (w.e.f 26-02-2022)

Note : Names of related parties and description of relationship as identified and certified by the Company.

Transactions during the year:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Subsidiary Company		
Bheema Fine Chemicals Private Limited		
Loans given during the year to the enterprise	105.00	1577.31
Loans repaid during the year from the enterprise	66.64	1577.31
Interest received on the loan given	2.13	-
Amount paid towards Shares allotment	99.00	801.00
Security of land given against the loan taken by holding company	500.00	-
b) Enterprises under the significant influence of persons having significant influence over this company		
Sales of Finished Goods (Including duties and taxes)		
Agnova Chemicals Pvt Ltd	-	67.41
Purchase of Goods / Services (Including duties and taxes)		
Agnova Chemicals Pvt Ltd	-	27.56
VNA Express & Logistic Solutions	6.27	9.29
c) Enterprises under the control of persons having significant influence over this company		
Greenpath Energy Private Limited		
Loans taken during the year from the enterprise	220.00	200.00
Loans repaid during the year to the enterprise	456.98	.50
Interest on Loans paid to the enterprise	18.99	3.39



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

52 Related party disclosures(contd..)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
d) Key Management Personnel		
i) Sri. S Chandra Sekhar		
Remuneration including commission	141.48	128.26
Unsecured loans taken from him	140.00	82.00
Unsecured loans Repaid to him	441.41	240.17
Interest on Unsecured loans paid to him	12.77	41.51
ii) Sri. K S Raju		
Sitting Fees	1.45	1.20
iii) Sri. Sudhakar Kudva		
Sitting Fees	2.60	2.00
iv) Sri. D Sadasivudu		
Sitting Fee	.25	1.10
v) Smt. S Lalitha Sree		
Sitting Fee	1.70	1.20
vi) Sri. G S V Krishna Rao		
Sitting Fee	2.40	1.80
vii) Sri. Kishor Shah		
Sitting Fee	1.90	.70
viii) Smt. G Aruna		
Sitting Fee	1.60	.35
ix) Smt. A Lakshmi Sowjanya		
Sitting Fee	-	.25
x) Sri. Ketan Chamanlal Budh		
Remuneration	32.16	29.48
xi) Sri. A Arvind Kumar		
Remuneration (Including commission)	73.61	68.27
xii) Sri. B Krishna Mohan Rao		
Remuneration	30.74	27.06
xiii) Smt. Saheli Banerjee		
Remuneration	9.87	4.24
xiv) Smt. R Sharanya		
Remuneration	.94	-
xv) Smt. B N Suvarchala		
Remuneration	-	4.30

Closing Balances

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Subsidiary		
Bheema Fine Chemicals Private Limited		
Investments in Subsidiary	900.00	801.00
Outstanding Loan Receivable	40.49	-
Security of land given against the loan taken by holding company	500.00	-
b) Enterprises under the Control of persons having significant influence over this company		
Greenpath Energy Private Limited		
Unsecured loans payable	-	217.98



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

52 Related party disclosures(contd..)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
c) Key Management Personnel		
i) S Chandra Sekhar		
Unsecured loans payable	-	288.64
Remuneration payable	-	-
Commission Payable	45.00	42.50
Guarantee given for borrowings	4791.65	4296.58
ii) A Arvind Kumar		
Commission Payable	22.80	22.80

In compliance with Ind AS – 27: " Separate financial statements", The required information is as under:

SUBSIDIARIES	OWNERSHIP INTEREST	For the year ended	For the year ended
	COUNTRY OF INCORPORATION	March 31, 2022	March 31, 2021
Bheema Fine Chemicals Private Limited	India	100%	100%

53 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

Non-current borrowing comprises term loan from the banks. The impact of fair value on such portion is not material and therefore not considered for above disclosure.

Non-current borrowings comprises of Inter corporate borrowing has been valued at amortised cost using Effective Interest Rate (EIR).

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

Particulars	Carrying value		Fair value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Financial assets at fair value through profit & loss				
Investments	900.00	801.00	-	-
Financial Assets at amortised cost				
Loans	40.49	-	-	-
Deposits & Others	590.42	478.60	-	-
Trade Receivables	9658.86	5965.78	-	-
Cash & Cash Equivalents	219.83	31.87	-	-
Bank Balances other than above	81.56	26.09	-	-
Financial Liabilities at amortised cost				
Borrowings (Non Current & Current)	8039.24	6218.35	198.23	184.24
Interest accrued	15.25	15.25	-	-
Trade Payables	5458.62	4630.62	-	-
Capital Creditors & Others	577.23	500.92	-	-



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

54 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.

54.1 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

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	March 31, 2022	March 31, 2021
Not Due	9033.54	5065.61
0 - 90 Days	624.66	774.34
90 - 180 Days	.59	114.23
180 - 270 Days	.08	-
270 - 365 Days	-	-
More than 360 Days	-	14.97
Total	9658.86	5969.16

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgment. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

b) Cash and Cash Equivalents

The Company held cash and cash equivalents of ₹ 219.83 Lakhs at March 31, 2022 (March 31, 2021: ₹ 31.87 Lakhs). This includes the cash and cash equivalents held with the bank and the cash on hand with the Company.



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

54 RISK MANAGEMENT (Contd..)

54.2 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 obtained fund and non-fund based working capital loan from bank. The borrowed funds are generally applied for Company's own operational activities.

Exposure to liquidity risk:

a) The following are the remaining contractual maturities of financial liabilities at the reporting date.

The amounts are gross and undiscounted :

31-Mar-22

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
Non Current Borrowings (Including current maturities)	7057.81	723.70	273.42	106.72	8161.66
Interest Payable	15.25	-	-	-	15.25
Trade Payables	5458.62	-	-	-	5458.62
Other Payables	274.25	-	-	-	274.25
	12805.93	723.70	273.42	106.72	13909.77

31-Mar-21

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
Non Current Borrowings (Including current maturities)	4385.38	1269.96	609.80	159.04	6424.18
Interest Payable	15.25	-	-	-	15.25
Trade Payables	4769.03	-	-	-	4769.03
Other Payables	230.68	-	-	-	230.68
	9400.34	1269.96	609.80	159.04	11439.15

b) Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The company's exposure to the risk of changes in the market interest rate relates primarily to the company's long term debt obligations with floating interest rates. The company's interest rate exposure is mainly related to variable interest rates debt obligations. The Company manages the liquidity and fund requirements for its day to day operations like working capital, suppliers/buyers credit.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.





Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

54 RISK MANAGEMENT (Contd..)

Particulars	March 31, 2022	March 31, 2021
Floating rate instruments		
Financial Liabilities – measured at amortised cost		
Term loan from banks	1278.16	1660.85
Working capital facilities from bank	3938.84	3107.21
Bills Discounting	2486.37	759.42
Credit Card Dues	137.64	-
Fixed rate instruments		
Loan from intercorporates (Unsecured)	-	217.98
Loan from Directors (Unsecured)	-	288.64
Total	7841.01	6034.11

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

The risk estimates provided assume a change of 25 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date assuming that all other variables, in particular foreign currency exchange rates, remain constant. The period end balances are not necessarily representative of the average debt outstanding during the period.

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
31-Mar-22		
Variable rate loan instruments	19.60	(19.60)
31-Mar-21		
Variable rate loan instruments	15.09	(15.09)

54.3 a) Market Risk

Market risk is the possibility of losses that may be incurred by the company due to factors that affect the overall performance of the company – such as foreign exchange rates, interest rates, recessions etc. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily due to the fluctuations in the rate of interest for borrowings from banks, recession in the market, foreign exchange rate fluctuation etc.

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.



Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

54 RISK MANAGEMENT (Contd..)

c) Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2022 & March 31, 2021 are in Indian Rupees.

Particulars	March 31, 2022	March 31, 2021
	USD	USD
Financial Assets		
Cash & Cash equivalents	201.75	3.81
Trade & Other Receivables	2428.43	271.00
	2630.18	274.81
Financial Liabilities		
Trade & Other Payables	1562.64	1228.55
Advance from Customers	-	-
	1562.64	1228.55
Net Exposure	1067.53	(953.74)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars and Pounds at March 31 would have affected the measurement of financial instruments denominated in US dollars and Pounds and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

31-Mar-22

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	10.68	(10.68)	-	-
	10.68	(10.68)	-	-

31-Mar-21

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	(9.54)	9.54	-	-
	(9.54)	9.54	-	-

D) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.





Notes to Standalone Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

55 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.

Particulars	March 31, 2022	March 31, 2021
Non Current borrowings	1003.01	1921.93
Current borrowings	7051.47	4311.67
Total Debts	8054.49	6233.60
Less: Cash & Cash equivalents	219.83	31.87
Other bank deposits	81.56	26.09
Adjusted net debts	7753.10	6175.63
Equity	833.43	833.43
Other Equity	18183.65	14749.78
Total Equity	19017.07	15583.20
Adjusted net debt to equity ratio	0.41	0.40

56 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published."

57 Figures of the Previous year are regrouped / reclassified wherever considered necessary and rounded off to the nearest lakh.

As per our report of even date

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

Place : Hyderabad
Date : 26th May 2022

For and on behalf of the Board of Directors

Bhagiradha Chemicals & Industries Limited
(CIN-L24219TG1993PLC015963)

K S Raju
Chairman
DIN NO. 00008177

A Arvind Kumar
Chief Executive Officer

S Chandra Sekhar
Managing Director
DIN NO. 00159543

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary
M. No: ACS-63438



Consolidated Financial Statements



Independent Auditor's Report

The Members
Of **Bhagiradha Chemicals and Industries Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Bhagiradha Chemicals & Industries Limited** (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2022 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA's") 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 Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl.No	Key Audit Matter	Auditor's Response
1	<p>Net Realisable value of Finished Goods</p> <p>Finished goods are valued at lower of cost or net realizable value. Considering that there is always a volatility in the Selling price of the Agro-Chemicals, which is dependent upon various market conditions, determination of net realizable value for these chemicals involves significant management judgement and therefore has been considered as a key audit matter.</p> <p>The total value of finished goods (Agro chemicals) as at 31st March, 2022 is ₹ 1796.95 Lakhs which is in accordance with the accounting policies referred to in Note no. 2.10(c) of the financial statements.</p>	<ol style="list-style-type: none"> 1. Evaluated the design of internal controls relating to the management judgments and estimates relating to quantity, purity, fair value less costs to sell and also tested the operating effectiveness of the aforesaid controls. 2. Obtained an understanding of the significant management judgements applied in determination of the quantity, purity and their fair value and assessed and tested the reasonableness of these judgements. 3. Obtained the market information for the fair values and compared them with the rates considered by the management in determining the fair values. 4. Assessed the appropriateness of the disclosure in the financial statements in accordance with the applicable financial reporting framework.



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

The Company's Board of Directors is responsible for the preparation of 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 consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated 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 and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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 Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated 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 of the Companies as on March 31, 2022 taken on record by the Boards of Directors of the Companies and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
 - iv. (a) As per the written representation received from the management and to the best of its knowledge and belief other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether, directly Or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) As per the written representation received from the management and to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity, including foreign entities ("Funding Parties"), with the understanding, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
 - v. (a) The interim dividend declared and paid by the Company during the year until the date of this report is in compliance with section 123 of the Companies Act, 2013.
 - (b) The Board of Directors has proposed final dividend for the year which is subject to the approval of the members at the ensuing annual general meeting. The amount of dividend proposed is in accordance with section 123 of the Companies Act, 2013 as applicable.
2. With respect to the matters specified in paragraphs 3 (xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "order" /"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's Report, according to the information and explanations given to us and based on CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **S Singhvi & Co.,**
Chartered Accountants
Firm Regn. No. 003872S

Shailendra Singhvi
Proprietor
Membership No.023125 /ICAI
UDIN No. : 22023125AJQSTB9632

Place: Hyderabad
Date: 26.05.2022





Report on Internal Financial Controls Over Financial Reporting

Annexure "A" to the Auditor's Report

of even date on the Consolidated Financial Statements of Bhagiradha Chemicals & Industries Limited

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **Bhagiradha Chemicals & Industries Limited** (hereinafter referred to as the "Company") and its subsidiary companies, incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 the respective 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("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 internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and



- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company

and its subsidiary companies, which are companies incorporated in India, have, 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, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies 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 Regn. No. 003872S

Shailendra Singhvi
Proprietor
Membership No.023125 /ICAI
UDIN No. : 22023125AJQSTB9632

Place: Hyderabad
Date: 26.05.2022





Consolidated Balance Sheet

as at March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, Plant & Equipment	3	15625.06	15188.17
Right of Use Assets	4	22.24	22.46
Capital Work in Progress	5	444.32	157.79
Other Intangible Assets	6	23.02	27.08
Intangible Assets under Development	7	29.81	17.02
Financial Assets			
Investments	8	-	-
Other Financial Assets	9	577.94	464.69
Other Non Current Assets	10	86.44	31.32
Total Non Current Assets		16808.83	15908.54
Current assets			
Inventories	11	6793.33	5037.54
Financial Assets			
Trade receivables	12	9658.86	5965.78
Cash and cash equivalents	13	222.00	35.08
Bank balance other than cash and cash equivalents	14	81.56	26.09
Loans	15	-	-
Other Financial Assets	16	19.01	19.44
Current Tax Assets (Net)	17	1.03	15.34
Other Current Assets	18	617.68	311.32
Total Current Assets		17393.46	11410.59
Total Assets		34202.30	27319.13
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	19	833.43	833.43
Other Equity	20	18153.63	14735.24
Total Equity		18987.05	15568.66
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	21	1003.01	1921.93
Lease Liabilities	22	21.17	21.56
Other Financial Liabilities	23	121.98	137.22
Provisions	24	3.75	-
Deferred tax Liabilities (Net)	25	797.90	155.68
Total Non Current Liabilities		1947.82	2236.39
Current Liabilities			
Financial Liabilities			
Borrowings	26	7051.47	4311.67
Lease Liabilities	27	1.35	1.36
Trade payables	28		
a) Total Outstanding dues of Micro and Small enterprises		404.98	87.05
b) Total Outstanding dues of Trade Payables other than Micro and Small enterprises		5053.64	4543.57
Other Financial Liabilities	29	586.15	501.38
Other current liabilities	30	49.44	41.55
Provisions	31	45.76	18.55
Current Tax Liabilities (Net)	32	74.62	8.95
Total Current Liabilities		13267.43	9514.08
Total Liabilities		15215.24	11750.46
Total Equity & Liabilities		34202.30	27319.13
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of the consolidated financial statements	3 to 60		

As per our report of even date
For **S Singhvi & Co.,**
Chartered Accountants
Firm Regi. No.: 003872S

For and on behalf of the Board of Directors
Bhagiradha Chemicals & Industries Limited
(CIN-L24219TG1993PLC015963)

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 26th May 2022

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary
M. No: ACS-63438



Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
I. Income:			
Revenue from Operations	33	43566.74	31789.77
Other Income	34	84.94	63.81
Total Income (I)		43651.68	31853.58
II Expenses:			
Cost of Materials Consumed	35	27548.66	19610.95
Change in inventories of finished goods and Work in progress	36	120.89	475.29
Employee benefits expense	37	2389.69	1942.74
Financial costs	38	908.78	827.06
Depreciation and amortization expense	39	873.04	816.53
Other expenses	40	6679.78	5072.22
Total Expenses (II)		38520.85	28744.80
III Profit/(Loss) Before Exceptional Items and Tax (I-II)		5130.83	3108.79
Exceptional Items	41	-	105.40
IV Profit/(Loss) After Exceptional Items and Before Tax		5130.83	3214.19
V Tax expense:	44		
Current tax		881.10	567.15
MAT Credit Entitlement		465.82	(437.27)
Deferred tax charge/ (credit)		206.51	752.43
Earlier years Tax		2.63	-
		1556.06	882.31
VI Profit/(Loss) for the year		3574.78	2331.88
Other Comprehensive Income	42		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement on employees defined benefit plan		(103.40)	17.33
Deferred tax credit on above		30.11	(5.05)
Total other Comprehensive Income, net of tax		(73.29)	12.29
Total Comprehensive Income, net of tax		3501.49	2344.17
Earning per equity share of ₹ 10/- each fully paid:	45		
Basic (₹)		43.02	28.06
Diluted (₹)		43.02	28.06
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of the consolidated financial statements	3 to 60		

As per our report of even date
For **S Singhvi & Co.,**
Chartered Accountants
Firm Regi. No.: 003872S

For and on behalf of the Board of Directors
Bhagiradha Chemicals & Industries Limited
(CIN-L24219TG1993PLC015963)

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DIN NO. 00159543

Place : Hyderabad
Date : 26th May 2022

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary
M. No: ACS-63438





Consolidated Cash Flow Statement

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit Before Tax	5130.83	3214.19
Adjustments for :		
Depreciation and amortization expenses	873.04	816.53
Loss on sale of fixed assets	7.61	28.13
Interest Paid	510.14	484.15
Interest income & Notional Income	(44.00)	(40.66)
Provision for bad & Doubtful Debts	11.60	3.37
Exchange Differences on translation of assets & liabilities	(17.34)	(17.28)
Gratuity & Compensated absence	56.15	47.61
Operating profit before working capital changes	6528.04	4536.04
Adjustments for movement in working capital :		
(Increase)/Decrease in Inventories	(1755.78)	587.87
(Increase)/Decrease in Trade Receivable	(3701.54)	(4816.52)
(Increase)/Decrease in Other Financial & Non Financial Assets	(474.65)	255.95
Increase/(Decrease) in Trade Payable	822.24	2352.31
Increase/(Decrease) in Other Financial, non financial liabilities & provisions	(25.51)	(2000.57)
Cash generated from operations	1392.79	915.09
Direct taxes paid (Net of refund)	(805.00)	(559.15)
Net cash flow from/(used in) operating activities (A)	587.79	355.94
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment (tangible & intangible both), capital work in progress and capital advances	(1725.03)	(2139.60)
Proceeds from sale of property, plant & equipments	57.33	38.17
Investments in Subsidiary Company	-	-
Loan to Subsidiary Company	-	-
Interest received	28.76	25.41
Net cash flow used in investing activities (B)	(1638.94)	(2076.03)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds/(Repayment) of long term borrowings (Net)	(918.91)	1179.21
Proceeds/(Repayment) of short term borrowings (Net)	2739.80	767.11
Dividend Paid	(83.10)	-
Interest paid	(496.14)	(466.04)
Net cash used in financing activities (C)	1241.65	1480.28
Effect of exchange differences on translation of foreign currency cash and cash equivalents (D)	(2.85)	(.01)
Net Increase/(decrease) in cash and cash equivalents (A+B+C+D)	190.50	(239.81)
Cash and cash equivalents at the beginning of the year	32.70	272.51
	220.34	32.70
Cash and cash equivalents include		
Balances with banks		
On current accounts	219.61	1.42
Cash on hand	.73	31.28
Total cash and bank balances at the end of year	220.34	32.70

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

For and on behalf of the Board of Directors
Bhagiradha Chemicals & Industries Limited
(CIN-L24219TG1993PLC015963)

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
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Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 26th May 2022

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary
M. No: ACS-63438



Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

a Equity Share Capital

Particulars	AS AT 31-03-2022	
	No. of shares	Amount
For the year ended 31 March 2022		
Equity shares of INR 10 each issued, subscribed and fully paid		
Balance as at April 01, 2021	83,09,700	830.97
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2021	83,09,700	830.97
Changes in equity share capital during the current year	-	-
Balance as at March 31, 2022	83,09,700	830.97

Particulars	AS AT 31-03-2021	
	No. of shares	Amount
For the year ended 31 March 2021		
Equity shares of INR 10 each issued, subscribed and fully paid		
Balance as at April 01, 2020	83,09,700	830.97
Changes in Equity Share Capital due to prior period errors	.00	.00
Restated balance as at April 01, 2020	83,09,700	830.97
Changes in equity share capital during the current year	.00	.00
Balance as at March 31, 2021	83,09,700	830.97

b Other Equity

Particulars	Reserves and Surplus			Other item of other comprehensive income	Total
	Security Premium Reserve	General Reserve	Retained Earnings		
As at April 01, 2021	5524.76	902.74	8206.34	101.40	14735.24
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 01, 2021	5524.76	902.74	8206.34	101.40	14735.24
Add: Profit for the year transferred to retained earnings	-	-	3574.78	3574.78	-
Add: Other Comprehensive Income for the year :	-	-	-	-	-
Remeasurement of employees defined benefit plans	-	-	-	(103.40)	(103.40)
Deferred tax on above	-	-	-	30.11	30.11
Add: Issued during the year	-	-	-	-	-
Less : Equity Dividend (₹1/- per equity Share)	-	-	(83.10)	-	(83.10)
As at March 31, 2022	5524.76	902.74	11698.02	28.11	18153.63
As at April 01, 2020	5524.76	902.74	5874.46	89.12	12391.07
Changes in accounting policy or prior period errors	-	-	-	-	.00
Restated balance as at April 01, 2020	5524.76	902.74	5874.46	89.12	12391.07
Add: Profit for the year transferred to retained earnings	-	-	2331.88	-	2331.88
Add: Issued during the year	-	-	-	-	-
Add: Other Comprehensive Income for the year :	-	-	-	-	-
Remeasurement of employees defined benefit plans	-	-	-	17.33	17.33
Deferred tax on above	-	-	-	(5.05)	(5.05)
As at March 31, 2021	5524.76	902.74	8206.34	101.40	14735.24
Summary of Significant Accounting Policies	1 to 2				
The accompanying notes are an integral part of the consolidated financial statements	3 to 60				

As per our report of even date
For **S Singhvi & Co.,**
Chartered Accountants
Firm Regi. No.: 003872S

For and on behalf of the Board of Directors
Bhagiradha Chemicals & Industries Limited
(CIN-L24219TG1993PLC015963)

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 26th May 2022

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary
M. No: ACS-63438



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

1. Overview of the group

Bhagiradha Chemicals & Industries Limited (herein referred to as 'the Parent Company' or the 'the Company') together with its subsidiaries (together referred to as 'the Group') carries on the business of manufacturing and sales of Agro Chemicals. It is incorporated under the Companies Act and its shares are listed on the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is at 8-2-269/S/3/A, Plot No 3, Sagar Society, Road No 2, Banjara Hills, Hyderabad - 500 034 (TS)

2. Principles of Consolidation

2.1 Business Combination

In accordance with Ind AS 103, the group accounts for these business combinations using the acquisition method when control is transferred to the group. The consideration transferred for the business combination is measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the consolidated statement of profit and loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in the consolidated statement of profit and loss or OCI, as appropriate."

2.2 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through

its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Subsidiary companies considered in the Consolidated Financial Statements are as follows:

Name of the Company - Bheema Fine Chemicals Private Limited

Country of Incorporation - India

% Age voting power held as at March 31, 2022- 100%

% Age voting power held as at March 31, 2021- 100%

2.3 Non Controlling Interest

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2.4 Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in consolidated statement profit or loss.

2.5 Transactions eliminated on consolidation

The Parent consolidates the financial statements of the subsidiaries it controls. Financial statements of Group entities are consolidated on a line by line basis. If a subsidiary of the Group uses accounting policies other than those adopted in the consolidated financial statements for similar transactions and events in similar circumstances, appropriate adjustments are made to that Group entity's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. All intragroup assets, liabilities, equity, income, expense, cash flows, and unrealized gains/losses relating to transactions between Group entities are eliminated on consolidation.

3. 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.



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

3.1 Basis of preparation & compliance with IND AS

The financial statements of the group 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 group 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 group's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

3.2 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 consolidated 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 consolidated financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

3.3 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 group 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 group 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 group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.4 Property Plant and Equipment and Depreciation

- a) Items of property, plant and equipment are measured at cost, which include 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 when cost can be measured reliably and it is probable that the future benefits will flow to the group.
- c) Capital work-in-progress includes property plant and equipment not ready for their intended use and related incidental expenses and attributable interest.
- d) Expenditure during construction period:
Expenditure (direct & indirect) incurred during





Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

the construction period which are attributable to acquisition / construction of property plant and equipment, 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 property plant and equipment (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 property plant and equipment 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.

3.5 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 property plant and

equipment 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 property plant and equipment carried at cost are recognised in the Statement of Profit and Loss.

3.6 Impairment of non-financial assets

The group assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the group estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit")."

3.7 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



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

and Loss.

3.8 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.

3.9 Assets classified as held for sale

The group classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset (or disposal group) to be highly probable when:

- ▶ The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- ▶ An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- ▶ The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- ▶ The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- ▶ Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. "

3.10 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, work in progress and traded goods : 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.
- e) Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.
- f) Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

3.11 Cash and Cash Equivalents

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

3.12 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 group are segregated based on the available information.

3.13 Leases

A lease is classified at the inception date as finance lease or an operating lease. Leases under which the group 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 group assesses whether a contract contains a lease, at inception of a contract. A contract is, or





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for the year ended March 31, 2022

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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 group assesses whether:

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

As a lessee, the group 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 group's incremental borrowing rate.

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

The group 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 group recognises the lease

payments associated with these leases as an expense on a straight line basis over the lease term.

3.14 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 collectability 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.

3.15 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



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for the year ended March 31, 2022

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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

group 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 group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the group will pay normal income tax during the specified period. MAT credits are in the form of unused tax credits that are carried forward by the group for a specified period of time, hence, it is presented as Deferred Tax Asset.

3.16 Employee 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 group 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 group 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





Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

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 group's policy.

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.

3.17 Foreign Currency Transactions

a) Functional and presentation currency

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. The financial statements are presented in Indian rupee (INR), which is the group's functional and presentation currency.

b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions."

3.18 Provisions and Contingencies

- a) A provision is recognised, if, as a result of a past event, the group 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

3.19 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.

3.20 Earnings per Share

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.

3.21 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 group, 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.

3.22 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. As per Ind AS 32, the transaction costs pertaining to rights issue of equity instruments is required to be deducted from equity to the extent they are directly attributable to the equity related transactions and the same will be adjusted once the proceeds from the issue are received.



Notes to Consolidated Financial Statements

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3.23 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 group's board of directors.

3.24 Financial Instruments

a) Financial Assets

i) Recognition and initial measurement

Financial assets are recognised when the group 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 group 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 group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the group 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 group 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 group 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 group becomes a party to the contractual provisions of the instrument. A





Notes to Consolidated Financial Statements

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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 group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The group 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 group 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 group 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.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

a) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the group. Such changes are reflected in the assumptions when they occur.

b) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The group neither has any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the group has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation. "

c) Defined benefit plans (gratuity benefits and Compensated Absences)

The cost of the defined benefit plans such as gratuity and Compensated Absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches

3.25 Significant accounting judgments, estimates and assumptions



Notes to Consolidated Financial Statements

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that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

d) Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS include amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments have no impact on the financial statements of the group."

c) Ind AS 103: Business combination

The MCA clarified that for the purpose of this Ind AS, acquirers are required to apply the definition of asset and liability given in the framework for preparation and presentation of financial statements with Indian Accounting standards rather than the conceptual framework. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments have no impact on the financial statements of the group."

d) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

In the definition of "Recoverable amount" the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments have no impact on the financial statements of the group."

3.26 Standards that became effective during the year

There are no new Standards that became effective during the year. The group has applied certain amendments that became effective during the year which are discussed below: [This is to be updated as applicable]

a) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments have no impact on the financial statements of the group. The group intends to use the practical expedients in future periods as and when it become applicable."

b) Amendments to Ind AS consequential to Conceptual Framework under Ind AS

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop

3.27 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakh as per requirement of Schedule III of the Act, unless otherwise stated.





Notes to Consolidated Financial Statements

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(Amount in Indian Rupees in lakhs unless otherwise stated)

3 PROPERTY, PLANT & EQUIPMENT

Particulars	Freehold land	Lease Hold Land	Buildings	Plant and equipment	Electrical Installations	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total Property, plant and equipment
Gross carrying value										
Balance as at April 01, 2021	475.56	742.72	2008.82	16120.78	1635.60	39.64	58.39	33.85	71.22	21186.59
Additions	-	9.96	111.03	1150.01	69.04	5.00	6.77	10.13	-	1361.96
Deductions / Adjustments	35.10	-	-	54.55	-	-	-	11.88	-	101.52
Balance as at March 31, 2022	440.46	752.68	2119.86	17216.25	1704.65	44.64	65.16	32.11	71.22	22447.02
Accumulated Depreciation										
Opening Accumulated depreciation	-	2.10	593.36	4410.23	841.24	26.80	43.44	18.86	62.40	5998.42
Depreciation charge during the year	-	7.60	59.30	665.42	111.85	1.95	4.73	8.32	.96	860.13
Disposal/Adjustments	-	-	.00	25.30	.00	.00	.00	11.28	-	36.58
Closing Accumulated depreciation	-	9.70	652.66	5050.35	953.09	28.75	48.17	15.90	63.35	6821.97
Net Carrying amount as at 31.03.2022	440.46	742.98	1467.20	12165.90	751.56	15.90	16.99	16.21	7.86	15625.06
Gross carrying value										
Balance as at April 01, 2020	465.88	-	1995.14	14915.39	1493.69	38.46	54.65	49.02	71.22	19083.45
Additions	9.68	742.72	13.69	1317.20	141.92	1.18	3.74	6.65	-	2236.78
Deductions / Adjustments	-	-	-	111.81	-	-	-	21.83	-	133.64
Balance as at March 31, 2021	475.56	742.72	2008.82	16120.78	1635.60	39.64	58.39	33.85	71.22	21186.59
Accumulated Depreciation										
Opening Accumulated depreciation	.00	.00	533.33	3842.77	724.80	25.26	39.40	32.81	61.44	5259.82
Depreciation charge during the year	.00	2.10	60.02	614.06	116.44	1.54	4.04	6.79	.96	805.94
Disposal/Adjustments	.00	.00	-	46.60	.00	.00	.00	20.74	-	67.34
Closing Accumulated depreciation	.00	2.10	593.36	4410.23	841.24	26.80	43.44	18.86	62.40	5998.42
Net Carrying amount as at 31.03.2021	475.56	740.62	1415.47	11710.56	794.37	12.84	14.95	14.98	8.82	15188.17

3.1 The company has not carried out any revaluation of property, plant and equipment during the current or previous reporting year.

3.2 Property, plant and equipment pledged as security

Refer to Note no 26 for information on property, plant and equipment pledged as security by the Company



Notes to Consolidated Financial Statements

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4 RIGHT OF USE ASSETS

Particulars	Amount (₹)
Balance as at April 01, 2021	22.53
Additions	-
Deductions / Adjustments	-
Balance as at March 31, 2022	22.53
Accumulated Depreciation	
Opening Accumulated depreciation	.06
Depreciation charge during the year	.23
Disposal/Adjustments	-
Closing Accumulated depreciation	.29
Total	22.24
Land	
Balance as at April 01, 2020	
Additions	22.53
Deductions / Adjustments	-
Balance as at March 31, 2021	22.53
Accumulated Depreciation	
Opening Accumulated depreciation	
Depreciation charge during the year	.06
Disposal/Adjustments	-
Closing Accumulated depreciation	.06
Total	22.46

5 CAPITAL WORK IN PROGRESS (Assets under installation)

Particulars	Preoperative Expenses	Buildings	Plant and equipment	Total Capital Work in progress
As at April 01, 2021	11.73	25.39	120.68	157.79
Additions	24.95	172.65	1420.59	1618.19
Deductions / Capitalised	2.13	91.56	1237.98	1331.67
As at March 31, 2022	34.54	106.48	303.30	444.32
As at April 01, 2020	-	-	310.46	310.46
Additions	11.73	39.08	1269.34	1320.14
Deductions / Capitalised	-	13.69	1459.11	1472.80
As at March 31, 2021	11.73	25.39	120.68	157.79

5.1 Capital Work in Progress – Ageing Schedule :

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
AS AT 31-03-2022					
Project in Progress					
Capital Expenditure related to Plant & Machinery	303.30	-	-	-	303.30
Factory at KIADB	81.09	25.39			106.48
Pre-operative Expenses	24.95	9.60			34.54
Total	409.34	34.98	-	-	444.32



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

5 CAPITAL WORK IN PROGRESS (Assets under installation) (Contd..)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
AS AT 31-03-2021					
Project in Progress					
Capital Expenditure related to Plant & Machinery	120.68	-	-	-	120.68
Factory at KIADB	25.39	-	-	-	25.39
Pre-operative Expenses	11.73	-	-	-	11.73
Total	157.79	-	-	-	157.79

6 OTHER INTANGIBLE ASSETS

Particulars	Computer Software Purchased	Technical Know How	Product Registration	Total Intangible Assets
Gross carrying value				
Balance as at April 01, 2021	1.79	40.70	42.11	84.60
Additions	-	-	8.62	8.62
Disposals	-	-	-	-
As at March 31, 2022	1.79	40.70	50.73	93.22
Amortisation				
As at April 01, 2021	1.72	40.70	15.10	57.52
Charge for the year	-	-	12.68	12.68
Disposal	-	-	-	-
As at March 31, 2022	1.72	40.70	27.78	70.20
Net Carrying amount as at 31.03.2022	.07	.00	22.95	23.02
Gross carrying value				
Balance as at April 01, 2020	1.79	40.70	9.15	51.64
Additions	-	-	32.96	32.96
Disposals	-	-	-	-
As at March 31, 2021	1.79	40.70	42.11	84.60
Amortisation				
As at April 01, 2020	1.72	40.70	4.57	46.99
Charge for the year	-	-	10.53	10.53
Disposal	-	-	-	-
As at March 31, 2021	1.72	40.70	15.10	57.52
Net Carrying amount as at 31.03.2021	.07	.00	27.01	27.08

6.1 The company has not carried out any revaluation of intangible assets during the current or previous reporting year.

7 INTANGIBLE ASSETS UNDER DEVELOPMENT

Intangible Assets under development	Product Registration	Total Capital Work in progress
As at April 01, 2021	17.02	17.02
Additions	21.41	21.41
Deductions	8.62	8.62
As at March 31, 2022	29.81	29.81
As at April 01, 2020	51.28	51.28
Additions	-	-
Deductions	34.26	34.26
As at March 31, 2021	17.02	17.02



Notes to Consolidated Financial Statements

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7 INTANGIBLE ASSETS UNDER DEVELOPMENT (Contd..)

7.1 Capital Work in Progress – Ageing Schedule :

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
AS AT 31-03-2022					
Project in Progress					
Product Registration	21.41	-	5.50	2.90	29.81
Total	21.41	-	5.50	2.90	29.81
AS AT 31-03-2021					
Project in Progress					
Product Registration	-	5.50	8.27	3.25	17.02
Total	-	5.50	8.27	3.25	17.02

8 FINANCIAL ASSETS – INVESTMENTS

Particulars	As at March 31, 2022	As at March 31, 2021
Investments in Equity Instruments (Unquoted)		
Investments in Subsidiary (Valued at cost unless stated otherwise)		
Bheema Fine Chemicals Private Limited (90,00,000 Equity Shares face value of ₹ 10/- each per Share)	-	-
Previous Year (80,10,000 Equity Shares)		
Total	-	-

9 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Security Deposits	320.86	224.93
Balances with Banks:		
In Margin Money accounts with maturity for more than 12 months from balance sheet date.	172.01	162.42
In Fixed deposit accounts with maturity for more than 12 months from balance sheet date.	66.98	58.16
Interest accrued on margin money & fixed deposits	18.09	19.18
Total	577.94	464.69

10 OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured – considered good unless otherwise stated		
Capital Advances	86.44	31.32
Total	86.44	31.32





Notes to Consolidated Financial Statements

for the year ended March 31, 2022

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11 INVENTORIES

Particulars	As at March 31, 2022	As at March 31, 2021
Valued at Cost or net realisable value whichever is lower		
Raw Materials	2560.95	1755.46
Raw Materials in bonded ware house	990.06	67.07
Work in progress	1044.01	938.48
Finished Goods	1796.95	2023.37
Packing Materials	36.51	21.35
Coal & Fuel	80.18	80.39
Stores, spares & consumables	284.67	151.44
Total	6793.33	5037.54

11.1 Hypothecated as charge against short term-borrowings. Refer note no 26

12 TRADE RECEIVABLE

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured:		
Considered good	9658.86	5965.78
Which have significant increase in credit risk	-	-
Credit impaired	11.60	3.37
	9670.46	5969.16
Less : Allowance for bad and doubtful debts - Credit impaired	11.60	3.37
Total	9658.86	5965.78

12.1 Receivable from related parties

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor from firms or Private companies in which a director is interested as on 31.03.2022. As on 31.03.2021, a receivable amount of ₹ Nil was due under this category.

12.2 The net carrying value of trade receivables is considered a reasonable approximation of fair value.

12.3 Ageing of trade receivables (Current) :

As at 31.03.2022

Particulars	Not due	Outstanding of the following periods from due date of receipt					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered good	9033.54	625.25	.08	-	-	-	9658.86
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	11.60	11.60
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-



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12 TRADE RECEIVABLE (Contd..)

As at 31.03.2021

Particulars	Not due	Outstanding of the following periods from due date of receipt					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables – Considered good	5065.61	888.57	-	1.12	10.48	-	5965.78
Undisputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	3.37	3.37
Disputed Trade Receivables – Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-

13 CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks in current accounts	17.85	27.48
Balances with banks in EEFC accounts	201.75	3.81
Balances with banks in unclaimed dividend accounts	1.65	2.38
Deposits with original maturity of less than 3 months	-	-
Cash on hand	.73	1.42
Total	222.00	35.08

14 OTHER BANK BALANCES

Particulars	As at March 31, 2022	As at March 31, 2021
Margin Money with original maturity of more than 3 months but less than 12 months	81.56	26.09
Total	81.56	26.09

15 CURRENT FINANCIAL ASSETS – LOANS

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	-	-
Loan to Subsidiary	-	-
Total	-	-





Notes to Consolidated Financial Statements

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16 OTHERS FINANCIAL ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Current (Unsecured – considered good unless otherwise stated)		
Staff Advances	3.19	3.12
Accrued Interest on deposits	10.31	10.80
Other advances	5.52	5.52
Total	19.01	19.44

17 CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax refund receivable	1.03	15.34
Total	1.03	15.34

18 OTHER CURRENT ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Current (Unsecured – considered good unless otherwise stated)		
Advance to suppliers	100.74	12.85
Advance towards expenses	21.71	40.08
Prepaid Expenses	136.71	128.32
Paid towards Rights issue expenses (to be adjusted against right issue proceeds)	50.32	.00
Balance with statutory/Government Authorities	301.73	128.29
Excess of plan assets over obligations	6.48	1.78
Total	617.68	311.32

19 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
15,000,000 Equity Shares of ₹ 10/- each (Previous Year 10,000,000)	1500.00	1000.00
Total	1500.00	1000.00
Issued & Subscribed		
83,58,800 Equity Shares of ₹ 10/- each, Fully Paid up	835.88	835.88
	835.88	835.88
Paid up		
83,09,700 (Previous Year 83,09,700) Equity Shares of ₹10/- each with Voting Rights		
Fully Paid up	830.97	830.97
Less: Forfeited shares (amount originally paid up)	2.46	2.46
Total	833.43	833.43



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19.1 Reconciliation of Number of Shares:

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Number of Equity Shares at the beginning of the year	83,09,700	83,09,700
Add: Number of shares issued during the year	-	-
Number of Equity Shares at the end of the year	83,09,700	83,09,700

19.2 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.

19.3 Shares held by Associate Company :

Particulars	As at	As at
	March 31, 2022	March 31, 2021
	Number of Shares	Number of Shares
Greenpath Energy Pvt Ltd	3,86,000	3,86,000

19.4. Details of Shares held by Shareholders holding more than 5% of the Aggregate Shares in the Company :

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹ 10/- each held by:				
Sri. Singavarapu Chandra Sekhar	12,87,300	15.49%	12,87,300	15.49%
Ratnabali Investment Private Limited	11,59,140	13.95%	11,59,140	13.95%
Sri. R Venkata Narayana	6,28,497	7.56%	6,27,230	7.55%
Rajasthan Gum Private Limited	5,09,543	6.13%	5,09,543	6.13%

19.4.1. As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

19.4.2 Details of Shares held by Promoters at the end of the Year :

19.4.2 (a) As at 31.03.2022

Promoter Name	No . of shares	% of Total Shares	% of change during the year
Sri. Singavarapu Chandra Sekhar	12,87,300	15.49%	0.00%
Greenpath Energy Private Limited	3,86,000	4.65%	0.00%
Smt. Edara Jayalaxmi	2,00,213	2.41%	0.00%
Sri. Dodda Sadasivudu	63,600	0.77%	0.00%
Smt. Singavarapu Lalitha Sree	60,000	0.72%	0.00%
Sri. Kudaravalli Rama Krishna	25,000	0.30%	0.00%
Smt. Kudaravalli Sri Lakshmi	24,500	0.29%	0.00%
Sri. T Kalyan Chakravarthi	10,000	0.12%	0.00%
Smt. K Baby	10,000	0.12%	0.00%
Smt. Potini Vijaya Lakshmi	2,570	0.03%	0.00%





Notes to Consolidated Financial Statements

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19.4.2 (b) As at 31.03.2021

Promoter Name	No . Of shares	% of Total Shares	% of change during the year
Sri. Singavarapu Chandra Sekhar	12,87,300	15.49%	0.00%
Greenpath Energy Private Limited	3,86,000	4.65%	0.00%
Smt. Edara Jayalaxmi	2,00,213	2.41%	0.00%
Sri. Dodda Sadasivudu	63,600	0.77%	0.00%
Smt. Singavarapu Lalitha Sree	60,000	0.72%	0.00%
Sri. Kudaravalli Rama Krishna	25,000	0.30%	0.00%
Smt. Kudaravalli Sri Lakshmi	24,500	0.29%	0.00%
Sri. T Kalyan Chakravarthi	10,000	0.12%	0.00%
Smt. K Baby	10,000	0.12%	0.00%
Smt. Potini Vijaya Lakshmi	2,570	0.03%	0.00%

19.5 The Company has not allotted any equity shares as fully paid up without receiving cash or as bonus shares or bought back any equity shares.

19.6 Dividend

The Board of Directors proposed payment of ₹ 2/- @ 20% per equity share as Final Dividend for the financial year ended March 31, 2022 (March 31, 2021 ₹ Nil per share).

An interim dividend of ₹1/- per share aggregating to ₹83.09 Lakhs was declared and paid during the financial year.

20 OTHER EQUITY

Particulars	As at March 31, 2022	As at March 31, 2021
Securities Premium		
Balance at the beginning of the year	5524.76	5524.76
General Reserve		
Balance at the beginning of the year	902.74	902.74
Retained earnings		
Balance at the beginning of the year	8307.74	5963.57
Less : Equity Dividend (₹ 1/ per equity Share)	83.10	-
Add: Profit for the year	3574.78	2331.88
Less: Other Comprehensive Income/ Loss net of deferred tax	(73.29)	12.29
Balance at the end of the year	11726.13	8307.74
Total	18153.63	14735.24

21 FINANCIAL LIABILITIES – BORROWINGS

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current Borrowings		
Term Loan (Secured)		
From Axis Bank Ltd	1000.33	1346.79
From State Bank Of India	277.83	314.06
Other Loans (Unsecured)		
Sales tax deferment	198.23	184.24
Loans from related parties (Unsecured)		
From Intercorporates	-	217.98
Fom directors	-	288.64
	1476.40	2351.72



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

21 FINANCIAL LIABILITIES – BORROWINGS (Contd..)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Maturities of non current borrowings		
Term Loan (Secured)		
From Axis Bank Ltd	293.55	342.97
From State Bank Of India	72.50	6.04
Other Loans (Unsecured)		
Sales tax deferment	107.34	62.20
Loans from related parties (Unsecured)		
Loan from Intercorporates	–	2.98
Loan from directors	–	15.60
	473.38	429.79
Total	1003.01	1921.93

21.1 Details of Indian Rupee Term Loan from banks are as under:

Name of the Bank/Others	Amount	Number of Installments	Commencement of Installments	Effective Interest Rate
From Axis Bank Ltd				
Term Loan II				
Sanction Amount	750.00	16 Quarterly	October 2018	As on 31.03.2022 MCLR of 7.35% plus spread 0.55% p.a. (As on 31.03.2021 MCLR of 7.40% plus spread 1.85% p.a.)
Outstanding As on 31-03-2022	33.88	installments of		
Outstanding As on 31-03-2021	221.19	0.47 Cr. Each		
Term Loan III				
Sanction Amount	1000.00	20 Structured	November 2020	As on 31.03.2022 MCLR of 7.35% plus spread 0.55% p.a. (As on 31.03.2021 MCLR of 7.40% plus spread 1.85% p.a.)
Outstanding As on 31-03-2022	797.40	stepped up		
Outstanding As on 31-03-2021	946.08	quarterly installments First 4 – 0.25 Cr. each, next 12 – 0.50 Cr. Each & last 4 – 0.75 Cr. Each		
From State Bank Of India (GECL 2.0)				
Sanction Amount	290.00	48 Monthly	March 2022	As on 31.03.2022 MCLR of 6.65% plus spread 1.10% p.a. (As on 31.03.2021 MCLR of 6.95% plus spread 1.0% p.a.)
Outstanding As on 31-03-2022	277.83	Installments of		
Outstanding As on 31-03-2021	291.96	0.06 Cr. Each after a Moratorium of 12 Months		
From Axis Bank Ltd (GECL 2.0)				
Sanction Amount	179.00	36 Monthly	March 2022	As on 31.03.2022 MCLR of 7.35% plus spread 0.55% p.a. (As on 31.03.2021 MCLR of 6.95% plus spread 1.0% p.a.)
Outstanding As on 31-03-2022	169.06	Installments of		
Outstanding As on 31-03-2021	179.52	0.05 Cr. Each after a Moratorium of 12 Months		

21.2 Term loans II & III sanctioned by Axis Bank Ltd are secured by exclusive first charge on fixed assets created out of the term loans extended by the term lender and pari passu first charge on the movable fixed assets (Except vehicles) and immovable fixed assets of the Company (including EM of the Company land and buildings but excluding agricultural lands lying in the name of the Company not charged to any bank) along with other lenders and personal guarantee of Sri S Chandra Sekhar, Managing Director of the Company & Smt. S Lalitha Sree, Director of the Company.



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

21 FINANCIAL LIABILITIES – BORROWINGS (Contd..)

21.3 Term Loans sanctioned under GECL 2.0 of ₹ 290 Lakhs & ₹ 179 Lakhs by State Bank of India & Axis Bank Ltd, respectively are secured by extension of charge / security interest (both primary & collateral) currently secured to the banks for their existing credit facilities on a second ranking basis.

21.4 Government of Andhra Pradesh vide letter No.20/2/6/1369/ID dated 08-10-1996 and letter No.30/1/2002/0300/0300/FD dated 10-04-2002 had sanctioned sales tax deferment for an amount of ₹ 918.54 Lakhs and ₹ 514.51 Lakhs respectively for a period of 14 years to the Company in respect of Chlorpyrifos plant. The sanction of ₹ 918.54 Lakhs under letter No.20/2/6/1369/ID dated 08-10-1996 has expired its utilization on 28th February, 2010 and sanction of ₹ 514.51 Lakhs under letter No.30/1/2002/0300/0300/FD dated 10-04-2002 has expired its utilisation on 14th February, 2016. The Company has availed an aggregate deferment loan of ₹ 563.17 Lakhs under the above sanctions. The repayment has commenced and an amount of ₹ 266.70 Lakhs has been paid. However, the deferment amount payable for the years 19-20, 2020-21 & 2021-22 aggregating to ₹ 62.20 Lakhs was placed in the form of fixed deposits with banks as per orders of the Honourable High Courts of AP & TG. Thus the liability under sales tax deferment reflected is inclusive of the above deposits.

21.5 Loans availed from Intercorporates have been taken with the repayment period of two years from the date of availing such loan. The Interest is paid at the rate of 8.5% per annum on the principal outstanding.

21.6 Loans availed from Directors have been taken with the repayment period of two years from the date of availing such loan. The Interest is paid at the rate of 8.5% per annum on the principal outstanding.

21.7 The company has not been declared a wilful defaulter (as defined by RBI Circular) by any bank or financial Institution or other lender.

21.8 The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

21.9. a. The Company has not obtained term loan from any Bank/ Financial Institution during the financial year 2021-22.

21.9. b. The Company has obtained term loan from following Bank/ Financial Institution during the financial year 2020-21.

Particulars of Loans	Amount ₹ in Lakhs	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If no, mention the purpose for which it is utilised
1) Term Loan obtained from Axis Bank Ltd	1000	Towards Capital expenditure in property plant and equipment	Yes	-
2) Term Loan (GECL) obtained from Axis Bank Ltd	179	Working Capital Term Loan	Yes	-
3) Term Loan (GECL) obtained from State Bank of India	290	Working Capital Term Loan	Yes	-
4) Term Loan (CCECL) obtained from State Bank of India	140	Working Capital Term Loan	Yes	-

21.10 Net Debt Reconciliation

Particulars	As at March 31, 2022	As at March 31, 2021
Analysis of net debts and movement in net debts for each of the period presented:		
Current Borrowings	7051.47	4311.67
Non-current borrowings	1003.01	1921.93
Net Debt	8054.49	6233.60



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

21 FINANCIAL LIABILITIES – BORROWINGS (Contd..)

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings *	
Net debt as on April 1, 2020	742.72	3544.56	4287.28
Cash Flows (Net)	1179.21	767.11	1946.32
Net debt as at March 31, 2021	1921.93	4311.67	6233.60
Cash Flows (Net)	(918.91)	2739.80	1820.89
Net debt as at March 31, 2022	1003.01	7051.47	8054.49

* Includes current maturities of Long Term Debt

22 LEASE LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	21.17	21.56
Total	21.17	21.56

23 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Other non current liabilities		
Deferred income on government grants	121.98	137.22
Total	121.98	137.22

24 PROVISIONS

Particulars	As at March 31, 2022	As at March 31, 2021
Non current provisions		
For Gratuity & Compensated Absence	3.75	-
Short Term Provisions		
For Gratuity & Compensated Absence	45.76	18.55
Total	49.52	18.55

25 DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets relating to:		
Unused tax losses/depreciation	-	-
Expenses allowable on payment basis	14.42	70.09
Relating to Ind AS adjustments	-	-
Total deferred tax assets	14.42	70.09
Deferred tax liabilities relating to:		
On Property, plant and equipment	1726.81	1576.78
Relating to Ind AS adjustments	(25.06)	4.24
Total deferred tax liabilities	1701.75	1581.02
Deferred tax Liabilities (Net)	(1687.33)	(1510.93)
Add: MAT credit entitlement	889.43	1355.25
Total deferred tax liabilities (net)	797.90	155.68



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

25.1 Deferred Tax Assets/(Liabilities)

For the year ended March 31, 2022

PARTICULARS	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(1576.78)	(150.03)	.00	(1726.81)
MAT credit Entitlement	1355.25	(465.82)	.00	889.43
Expenses allowed on payment basis	70.09	(55.67)	.00	14.42
Other items giving rise to temporary differences	(4.24)	(.81)	30.11	25.06
	(155.68)	(672.33)	30.11	(797.90)

For the year ended March 31, 2021

Promoter Name	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(1342.11)	(234.67)	-	(1576.78)
MAT credit Entitlement	917.98	437.27	-	1355.25
Unused tax losses/depreciation	572.95	(572.95)	-	0
Expenses allowed on payment basis	53.72	16.37	-	70.09
Other items giving rise to temporary differences	(38.01)	38.82	(5.05)	(4.24)
	164.53	(315.16)	(5.05)	(155.68)

26 FINANCIAL LIABILITIES – BORROWINGS

Particulars	As at March 31, 2022	As at March 31, 2021
Current Borrowings		
Working capital loans (Secured)		
From State Bank of India	1074.72	1048.39
From Axis Bank Ltd	1401.43	1390.48
From RBL Bank Ltd	705.54	168.34
From ICICI Bank LTD	757.14	500.00
Bill discounting facilities from banks (Unsecured)		
From Axis Bank Ltd	1677.45	-
From Shinhan Bank	-	531.86
From RBL Bank Ltd	808.92	227.56
Credit card due (Unsecured)		
Axis PGSI Card	137.64	-
Current Maturities of long term debts		
Term Loan (Secured)		
From Axis Bank Ltd	293.55	342.97
From State Bank Of India	72.50	6.04
Other Loans (Unsecured)		
Sales tax deferment	107.34	62.20
Loans from related parties (Unsecured)		
From Intercorporates	-	2.98
From directors	-	15.60
Loan from Holding Company		
-	-	-
Deferred income on government grants	15.25	15.25
Total	7051.47	4311.67



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

26 FINANCIAL LIABILITIES – BORROWINGS (Contd..)

26.1 Details of Indian Rupee Working Capital Loan from banks are as under:

Name of the Bank	Balance		Effective Interest Rate	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans repayable on demand – Secured	–	–	–	–
From State Bank of India	1074.72	1048.39	7.95%	9.50%
From Axis Bank Ltd	1401.43	1390.48	7.90%	9.25%
From RBL Bank Ltd	705.54	168.34	8.35%	9.05%
From ICICI Bank LTD	757.14	500.00	8.50%	8.15%
Loans repayable on demand – Unsecured	–	–	–	–
From Axis Bank Ltd	1677.45	–	4.50%	–
From Shinhan Bank	–	531.86	–	ILC – 6.50% FLC – 2.40%
From RBL Bank Ltd	808.92	227.56	7.00%	3.80%
Axis PGSI Card	137.64	–	7.80%	–

26.2 Working Capital Facilities :

Working capital facilities extended by State Bank of India, Axis Bank Ltd, RBL Bank Ltd & ICICI Bank Ltd are secured as mentioned below.

1. For Limits sanctioned by SBI, Axis & RBL Banks

i) Primary Security for working Capital loans:

Pari Passu first charge on current assets of the Company.

ii) Collateral Security :

Paripassu first charge on movable fixed assets of the Company (both present and future) except vehicles and assets created out of term loans from Axis Bank Ltd and equitable mortgage of the company's factory land and buildings in an extent of 71.68 acres situated at Cheruvukommupalem, Ongole.

Pari Passu Second charge is available to SBI, ICICI Bank Ltd & RBL Bank Ltd by way of hypothecation on the movable fixed assets of the Company financed by Axis Bank Ltd.

iii) Primary security for term loans sanctioned by Axis Bank Ltd. Exclusive charge by way of hypothecation on the assets created out of term loans sanctioned by Axis Bank Ltd.

iv) Personal Guarantee of Sri. S Chandra Sekhar, Managing Director and Smt. S Lalitha Sree Director of the Company."

2. For Limits sanctioned by ICICI Bank Ltd, the following securities are stipulated- Cash Credit and LC limits

i. Primary Security:

First Paripassu charge on current assets of the company, both present and future along with other working capital member banks.

ii. Collateral securities:

First paripassu charge on entire fixed assets (Movable and Immovable) (except vehicles and assets financed exclusively by other banks and assets financed by Axis bank by way of term loans) both present and future along with other working capital member banks on Factory land and building property in Cheruvukommupalem Village, Prakasam district, Andhra Pradesh.





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for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

26 FINANCIAL LIABILITIES – BORROWINGS (Contd..)

- iii. Second Paripassu charge on movable fixed assets of the company created out of term loans from Axis bank.

3. For Limits sanctioned by ICICI Bank Ltd, the following securities are stipulated- Over Draft Limit

i) Primary Security:

First Paripassu charge on current assets of the company, both present and future along with other working capital member banks.

ii) Collateral securities:

First paripassu charge on entire fixed assets (Movable and Immovable) (except vehicles and assets financed exclusively by other banks and assets financed by Axis bank by way of term loans) both present and future along with other working capital member banks Factory land and building property in Cheruvukommupalem, Prakasam district, Andhra Pradesh

- iii) Second Paripassu charge on movable fixed assets of the company created out of term loans from Axis bank.

- iv) Exclusive collateral in the name of Bheema Fine Chemicals Pvt Ltd, situated at village Kadechur, Hobli, 585102, Yadgir dist, Karnataka of leasehold industrial land in 33.90 acres.

- v) The facilities are secured by personal guarantees of Sri. S Chandra Sekhar and Smt. S Lalitha Sree, Directors.

26.3 The Company has obtained working capital loan from following Bank/ Financial Institution:

a. During the financial year 2021-22 :

Particulars of Loans	Limit Sanctioned ₹ in Lakhs (Incl. Non Fund Based)	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If no, mention the purpose for which it is utilised
ICICI Bank Ltd	2500	Working Capital Requirements	Yes	-

b. During the financial year 2020-21 :

Particulars of Loans	Limit Sanctioned ₹ in Lakhs (Incl. Non Fund Based)	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If no, mention the purpose for which it is utilised
RBL Bank Ltd	1000	Working Capital Requirements	Yes	-

26.4 The company has not been declared a wilful defaulter (as defined by RBI Circular) by any bank or financial Institution or other lender.

26.5 The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

27 LEASE LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	1.35	1.36
Total	1.35	1.36

28 TRADE PAYABLE

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured considered good:		
Total outstanding dues of micro enterprises and small enterprises	404.98	87.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	5053.64	4543.57
Total	5458.62	4630.62

28.1 Dues to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 (27 of 2006)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid	404.98	87.05
Interest due thereon	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the period/year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period/year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at balance sheet date	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-
Total	404.98	87.05

28.2 The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of Micro and Small Enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2022 has been made in the financial statements based on information received and available with the Company.

28.3 Trade Payables ageing schedule :

As at 31.03.2022

Particulars	Payable not due	Outstanding of the following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	404.98	-	-	-	-	404.98
Others	4343.71	709.93	-	-	-	5053.64
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

As at 31.03.2021

Particulars	Payable not due	Outstanding of the following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	87.05	-	-	-	-	87.05
Others	4520.65	22.71	-	-	.21	4543.57
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

29 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Creditors	274.25	230.68
Unpaid dividends	1.65	2.38
Other Payables - Expenses	310.25	268.32
Total	586.15	501.38

29.1 Unpaid dividends will be credited to investors education and protection fund as and when due.

30 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Dues	49.44	41.55
Total	49.44	41.55

31 PROVISIONS

Particulars	As at March 31, 2022	As at March 31, 2021
Short Term Provisions		
For Gratuity & Compensated Absence	45.76	18.55
Total	45.76	18.55

32 CURRENT TAX LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Income tax (Net of Advance tax and TDS/TCS)	74.62	8.95
Total	74.62	8.95



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

33 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products		
Manufactured products	43083.15	30858.43
Traded Goods	374.05	892.72
Sale of Services	-	-
Other Operating Revenues	-	-
Export Incentives	107.79	36.60
Scrap Sales	1.75	2.03
Total Revenue from operations	43566.74	31789.77

33.1 Export and other incentives have been recognized upon realization of export sale proceeds and receipt of duty credit scrip under MEIS Scheme which is replaced by RoDTEP.

33.2 DETAILS OF SALE OF PRODUCTS :

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Manufactured products – Domestic	32541.51	23706.59
Manufactured products – Export	10541.64	7151.83
Traded Goods -Sale of Raw Materials	374.05	892.72

34 OTHER INCOME

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income on		
Deposits and Margin money held	26.63	25.41
Gain on foreign currency transactions & translations	13.87	16.38
Government Grant amortised	15.25	15.25
Miscellaneous Income	29.19	6.78
Total	84.94	63.81

35 COST OF MATERIAL CONSUMED

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Raw Material Consumption		
Inventory at the beginning of the year	1755.46	1819.60
Add: Purchases	27642.24	18428.72
	29397.69	20248.32
Less: Inventory at the end of the year	2560.95	1755.46
Cost of raw material consumed	26836.74	18492.87
Purchase of traded goods	374.05	892.72
Packing Material Consumption		
Inventory at the beginning of the year	21.35	16.63
Add: Purchases	353.03	230.08





Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	374.38	246.71
Less: Inventory at the end of the year	36.51	21.35
Cost of packing material consumed	337.87	225.37
Total	27548.66	19610.95

36 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the beginning of the year		
Work-In-Progress	938.48	894.94
Finished goods	2023.37	2542.20
	2961.85	3437.14
Inventories at the end of the year		
Work-In-Progress	1044.01	938.48
Finished goods	1796.95	2023.37
	2840.96	2961.85
Increase/(Decrease) in inventories of finished goods and work-in-progress	120.89	475.29

37 EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries & Wages	1835.35	1477.51
Directors' Remuneration & Commission	165.00	150.00
CEO Commission	20.34	23.46
Contribution to provident fund & other funds	134.57	109.05
Gratuity Expenses	32.55	25.95
Compensated absence	23.60	21.66
Staff Welfare Expenses	178.28	135.10
Total	2389.69	1942.74

38 FINANCE COST

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on term loan	124.97	110.09
Interest on working capital loan	219.18	214.24
Interest towards delay payment of statutory dues	9.40	.22
Interest to others	151.03	143.06
Interest on financial liabilities recognised on amortised cost	14.00	16.75
Bank Charges & Processing Fee	71.14	82.72
Cash Discount	318.10	259.58
Interest On Lease Liability	.97	.38
Total	908.78	827.06



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

39 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation	860.36	806.00
Amortization	12.68	10.53
Total	873.04	816.53

40 OTHER EXPENSES

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Manufacturing Expenses :		
Consumption of stores, spares & consumables	1116.30	780.76
Power and Fuel	3104.71	2447.00
Insurance	109.07	114.23
Effluent treatment expenses	480.16	349.20
Freight Inwards	8.53	7.17
Water Transport Charges	71.59	48.22
Testing and Lab charges	4.30	11.55
Factory maintenance	136.34	86.01
Repairs & maintenance		
Plant and machinery	207.30	181.96
Buildings	243.70	184.92
Others	4.64	15.68
	5486.64	4226.70
Administration, Selling and Other Expenses		
Rent	34.70	18.00
Rates and taxes	22.06	54.17
Research & Development expenses	143.74	115.59
Printing and stationery	25.67	18.11
Consultancy and other professional charges	117.26	107.67
Remuneration to auditors		
-Audit Fee	8.50	8.50
Tax audit fee	.00	1.00
Remuneration to cost auditors	1.00	1.00
Remuneration to Internal Auditors	2.50	2.50
Travelling and conveyance (Including foreign travel ₹ 5,68,463/- Previous Year - Nil)	24.71	9.05
Communication expenses	13.80	11.61
Vehicle Maintenance	47.86	29.86
Preliminary Expenses	-	.15
Other selling expenses	507.44	276.41
Miscellaneous Expenses	243.91	191.92
	1193.14	845.53
Total	6679.78	5072.22



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

41 Exceptional Item – Insurance Claim :

An amount of ₹ 105 Lakhs was received during the financial year 2020-21 as full & final settlement under the reinstatement policy for damage to Civil structures, Plant and Electrical Equipment which was disclosed as Income from Insurance claim as exceptional Item.

42 Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Other comprehensive income not to be reclassified to profit or loss in subsequent periods:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Remeasurement costs on net defined benefit liability	(103.40)	17.33
Deferred tax effect on remeasurement costs on net defined benefit liability	30.11	(5.05)
Total	(73.29)	12.29

43 Details of Expenses on Corporate Social Responsibility Activities

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Amount required to be spent by the Company during the year	46.89	21.53
Amount of expenditure incurred	46.89	25.87
Shortfall at the end of the year	-	-

Nature of CSR activities – For promotion of Healthcare, Environmental Sustainability & Education.

As Per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2022 was ₹ 46.89 Lakhs Computed at 2% of its average net profits for the immediately preceding three financial years, on Corporate Social Responsibility (CSR). The Company spent an amount of ₹ 46.89 Lakhs against this obligation for promotion of Healthcare, Environmental Sustainability & Education.

44 TAXES

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a. Income Tax Expense recognised in the Statement of Profit & Loss:		
Current Tax	881.10	567.15
Adjustment for MAT	465.82	(437.27)
Deferred tax Charge/(Credit)	206.51	752.43
Earlier years Tax	2.63	-
Total Income tax Expenses recognised in statement of profit & loss	1556.06	882.31
Net (gain)/ loss on Measurement of Defined Benefit plan net of Deferred tax Charged/(Credit) to OCI	(73.29)	12.29
b. Reconciliation of effective tax rate:		
Profit before tax (A)	5130.83	3214.19
Enacted tax rate in India (B)	29.12%	27.82%
Expected Tax Expenses (C=A*B)	1494.10	894.19
Adjustments for permanent difference:		
Weighted deduction U/s 35 (2AB) under the Income Tax Act,1961	-	(12.84)
Expenses not deductible for tax purpose	55.10	23.65



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

Tax due to change in tax rate	27.21	(7.35)
Others	130.46	(60.70)
Total	212.77	(57.23)
Profit after adjusting permanent difference	5343.60	3156.96
Expected Tax expenses	1556.06	878.27
Total Tax expense	1556.06	882.31

45 EARNINGS PER SHARE

45.1 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.

Diluted earnings / (loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

45.2 The Basic and diluted EPS per share is given hereunder

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
Profit / (Loss) as per Profit and Loss Account	₹	3574.78	2331.88
Net Profit / (Loss) attributable to Equity Share holders	₹	3574.78	2331.88
Equity Shares outstanding at the beginning of the year	Nos.	83,09,700	83,09,700
Equity Shares outstanding at the close of the year	Nos.	83,09,700	83,09,700
Weighted average No of equity shares in computing basic EPS	Nos.	83,09,700	83,09,700
Weighted Average number of Equity Shares in computing diluted earnings per share	Nos.	83,09,700	83,09,700
Face value of each equity share	₹	10	10
Earnings per share			
- Basic (₹)	₹	43.02	28.06
- Diluted (₹)	₹	43.02	28.06

46 Employee benefits

46.1 Gratuity

Defined Benefit Plans

The Company has a defined benefit gratuity plan governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure, at 15 days salary for each completed year of service. The scheme is funded through a policy with Life Insurance Corporation of India. The following tables summarize net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

Particulars	March 31, 2022	March 31, 2021
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	36.53	24.80
Interest cost	(3.98)	1.15
Expected return on plan assets	-	-
Net actuarial(gain) / loss recognised in the period/ year	28.74	(5.27)



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

46 Employee benefits (Contd..)

Particulars	March 31, 2022	March 31, 2021
Benefits paid	(3.31)	1.60
Net employee benefit expenses	57.98	22.28
Actual return on plan asset	.00	.00
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	383.56	271.94
Fair value of plan assets	390.03	273.72
	(6.48)	(1.78)
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	271.94	257.11
Current service cost	36.53	24.80
Interest cost	18.11	16.75
Benefits paid	(20.44)	(17.80)
Remeasurement due to financial assumptions	48.67	(3.65)
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	28.74	(5.27)
Closing defined benefit obligation	383.56	271.94
D) Change in the fair value of plan assets		
Opening fair value of plan assets	273.72	202.52
Interest Income on Planned assets	22.09	15.60
Contributions	111.35	75.00
Benefits paid	(20.44)	(17.80)
Actuarial gain/(loss) on plan assets	3.31	(1.60)
Closing fair value of plan assets	390.03	273.72
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with Life Insurance Corporation of India	100.00%	100.00%
E) Remeasurement adjustments:		
Experience loss/ (gain)	28.74	(5.27)
Financial Assumptions loss/ (gain)	48.67	(3.65)
Return on Plan Assets	(3.31)	1.60
Demographic loss/ (gain) on plan liabilities	.00	.00
Demographic loss/ (gain) on plan assets	.00	.00
Remeasurement gains/(losses) recognised in other comprehensive income:	74.10	(7.32)
i) The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Discount rate	7.35%	6.75%
Expected rate of return on assets	0.00%	0.00%
Salary rise	6.00%	4.00%
Attrition Rate	3.00%	3.00%
The estimates of future salary increases considered in the actuarial valuation, take in to account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

46 Employee benefits : (Contd..)

Particulars	March 31, 2022	March 31, 2021
ii) The overall expected rate of return on assets is determined based on the actual rate of return during the current year.		
Amounts for the current and previous year are as follows:		
Defined benefit obligation	383.56	271.94
Plan assets	390.03	273.72
Surplus / (deficit)	(6.48)	(1.78)

46.2 Leave Encashment

Defined Benefit Plans

Particulars	March 31, 2022	March 31, 2021
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	23.07	20.01
Interest cost	12.71	11.38
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the period/ year	2.77	(8.96)
Benefits paid	14.34	(10.79)
Net employee benefit expenses	52.89	11.65
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	249.95	185.84
Fair value of plan assets	200.44	167.30
	49.52	18.55
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	185.84	171.53
Current service cost	23.07	20.01
Interest cost	12.71	11.38
Benefits paid	(4.29)	(5.89)
Remeasurement due to financial assumptions	29.84	(2.24)
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	2.77	(8.96)
Closing defined benefit obligation	249.95	185.84
D) Change in the fair value of plan assets		
Opening fair value of plan assets	167.30	129.63
Expected return on plan assets	3.32	(1.18)
Contributions	34.11	44.73
Benefits paid	(4.29)	(5.89)
Actuarial gain/(loss) on plan assets	-	-
Closing fair value of plan assets	200.44	167.30
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with Life Insurance Corporation of India	100.00%	100.00%
E) Remeasurement adjustments:		
Experience loss/ (gain)	2.77	(8.96)
Financial Assumptions loss/ (gain)	29.84	(2.24)
Return on plan assets	(3.32)	1.18
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
Remeasurement gains/(losses) recognised in other comprehensive income:	29.30	(10.01)
i) The principal assumptions used in determining Leave Encashment for the Company's plans are shown below:		
Discount rate	7.35%	6.75%
Expected rate of return on assets	0.00%	0.00%
Salary rise	6.00%	4.00%
Attrition Rate	3.00%	3.00%

The estimates of future salary increases considered in the actuarial valuation, take into account the inflation, seniority, into promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

46.3 Defined Contribution Plan

Particulars	March 31, 2022	March 31, 2021
Contribution to Provident Fund	121.41	95.56
Contribution to Superannuation Fund	-	-

47 COMMITMENTS & CONTINGENCIES

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a. Commitments:		
Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	93.91	36.30
Total	93.91	36.30
b. Contingent Liabilities:		
i) Outstanding bank guarantees	10.00	10.00
ii) Letters of Credit	749.89	248.83
iii) Indirect Taxes – GST	65.69	-
iv) Indirect Taxes – Entry Tax	9.10	-
v) Indirect Taxes – CVD & SAD (Refer Note 48)	39.92	39.92
Total	874.60	298.75

48 During the year 2018-19, Company paid ₹ 26.21 Lakhs and ₹ 13.71 Lakhs on account of CVD and SAD towards shortfall quantity of their export obligation in respect of two advance authorization licences granted to it. The Company has filed for a refund of the CVD & SAD as per the provisions of Sec. 142(3) of CGST Act. Refund application of the Company has been rejected by the Asst. Commissioner of Central Taxes, CGST Division vide its order dated 14.05.2020. Later, the Company made an Appeal with the Commissioner of Appeals, which was also rejected, vide order dated 30.10.2020. On 28.01.2021, the Company preferred further appeal with The Customs, Excise and Service Tax Appellate Tribunal Regional Bench, Hyderabad which is admitted by the Appellate Tribunal vide letter dated 21-06-2021. Hence, no provision is made in the books of the Company.

49 SEGMENT REPORTING :

a. BASIS OF SEGMENTATION

The company operates only in one business segment viz. 'manufacturing and sales of agro chemicals' and hence no separate information for primary segment wise disclosure is required.



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

b. GEOGRAPHIC INFORMATION:

The geographic information analyses the Company's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Segment revenue (based on the location of the customers)		
India	32915.57	24599.31
Europe	4070.02	-
North America	4294.71	4401.34
South America	1503.55	2348.12
Rest of the World	673.36	402.38
Total	43457.21	31751.14

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Segment assets (based on the location of the assets)		
India	16808.83	15908.54
Total	16808.83	15908.54

50 PAYMENTS TO AUDITORS (excluding GST & Service Tax)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A) Statutory auditors		
Statutory audit	8.50	8.50
	8.50	8.50
B) Cost auditors		
Audit fee	1.00	1.00
Filing fee	.05	.05
	1.05	1.05

51 RESEARCH AND DEVELOPMENT

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Details of expenditure on R & D		
i) Details of Revenue expenditure		
Cost of Materials Consumed		
Laboratory Expenses and Consumables	85.05	65.15
Employee Benefits Expenses		
Salaries, Wages and Bonuses	48.05	50.44
Other Expenses		
Repairs and Maintenance	10.63	-
ii) Capital Expenditure		
Plant & Machinery	-	12.84
Building related material	-	-
	143.74	128.44



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

52 Disclosures where loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Year Ended March 31, 2022

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	Amount outstanding as at the balance sheet date	% of Total
KMPs		Not Applicable			-
Related Parties (Subsidiary)	Individually	Yes	No	-	100%
Total of Loan and Advances in the nature of Loan	-	100%			

Year Ended 31.03.2021

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	Amount outstanding as at the balance sheet date	% of Total
KMPs		Not Applicable		-	-
Related Parties		Not Applicable		-	-
Total of Loan and Advances in the nature of Loan	-	-	-	-	-

53 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

AS AT 31-03-2022

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
Jun-21	State Bank of India, Axis Bank and RBL Bank	Inventory	5252.59	5290.72	(38.13)	Duty paid against the inventory lying in the warehouse is included while submitting stock statement
		Receivables	5925.28	5922.32	(49.81)	Advance payment to trade payables in shown as trade receivables while submitting stock statement
		Payables	3770.36	3770.36	.00	
Sep-21	State Bank of India, Axis Bank and RBL Bank	Inventory	6102.08	5912.02	190.06	Overhead costs are not apportioned to Work in Progress while submitting the stock statement
		Receivables	7307.63	7310.41	(81.45)	Advance payment to trade payables in shown as trade receivables while submitting stock statement
		Payables	4583.47	4594.09	(10.62)	Cheque given to Creditors is not cleared hence not considered while submitting the stock statement



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

53 (Contd..)

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
Dec-21	State Bank of India, Axis Bank, RBL Bank and ICICI Bank	Inventory	6996.73	6947.12	49.60	Inventory lying in Warehouse is not considered while submitting stock statement & balance Difference is due to variation in Avg Price
		Receivables	6225.89	6225.89	(46.12)	Advance payment to trade payables in shown as trade receivables while submitting stock statement
		Payables	4382.14	4380.85	1.29	Due to wrong classification of one of the creditors it is not disclosed while submitting the stock statement.
Mar-22	State Bank of India, Axis Bank, RBL Bank and ICICI Bank	Inventory	6519.92	6515.80	4.12	Difference is due to variation in Avg Price
		Receivables	9719.83	9731.43	(72.57)	Advance payment to trade payables in shown as trade receivables while submitting stock statement
		Payables	4881.42	4881.96	(.54)	Balance is written off in the books after submitting the stock statement to the bank

AS AT 31-03-2021

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
Jun-20	State Bank of India and Axis Bank	Inventory	4479.71	4486.29	(6.58)	Difference is due to variation in Avg Price
		Receivables	2886.75	2886.75	(57.10)	—
		Payables	1336.20	1336.18	.02	—
Sep-20	State Bank of India and Axis Bank	Inventory	3570.17	3567.50	2.68	Difference is due to variation in Avg Price
		Receivables	5163.81	5163.81	(92.79)	—
		Payables	2683.09	2709.66	(26.56)	Cheque given to Creditors is not cleared hence not considered while submitting the stock statement
Dec-20	State Bank of India, Axis Bank and RBL Bank	Inventory	4504.96	4502.50	2.46	
		Receivables	5267.30	5270.67	(15.13)	Advance payment to trade payables in shown as trade receivables while submitting stock statement
		Payables	3598.31	3598.31	.00	—
Mar-21	State Bank of India, Axis Bank and RBL Bank	Inventory	4886.11	4837.35	48.76	Inventory lying in Warehouse is not considered while submitting stock statement.
		Receivables	5975.04	5979.14	(13.36)	Advance payment to trade payables in shown as trade receivables while submitting stock statement
		Payables	4412.97	4432.42	(19.45)	Cheque given to Creditors is not cleared hence not considered while submitting the stock statement



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for the year ended March 31, 2022

54 RATIOS :

S No.	Ratio	Particulars		March 31, 2022		March 31, 2021		Ratio as on		Reason (if variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	March 31 2022	March 31 2021	
(a)	Current Ratio	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	17393.46	13267.43	11410.59	9514.08	1.31	1.20	9.31% -
(b)	Debt-Equity Ratio	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	1476.40	18987.05	2351.72	15568.66	0.08	0.15	There is an improvement in profitability due to increased net margin and reduction in the debt.
(c)	Debt Service Coverage Ratio	Net Operating income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	5356.60	577.08	3975.46	429.56	9.28	9.25	0.30% -
(d)	Return on Equity Ratio	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	3574.78	18987.05	2331.88	15568.66	0.19	0.15	Variance is due to the increase in operating margins
(e)	Inventory Turnover Ratio	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	27669.55	5915.44	20086.25	5331.48	4.68	3.77	24.16%
(f)	Trade Receivables Turnover Ratio	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	43458.96	7812.32	31753.17	3557.52	5.56	8.93	(37.68%) Variance is due to significant increase in credit sales during the last quarter of the year
(g)	Trade Payables Turnover Ratio	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	31521.98	5044.62	20458.43	3523.67	6.25	5.81	7.62%
(h)	Net Capital Turnover Ratio	Revenue	Average Working Capital= (Opening Trade Receivables - Current liabilities)	43651.68	3011.27	31853.58	721.61	14.50	44.14	(29.65) The variance is due to considerable improvement in the profitability while the turnover has not improved correspondingly.
(i)	Net Profit Ratio	Net Profit	Net Sales	3574.78	43651.68	2331.88	31853.58	0.08	0.07	0.01 -
(j)	Return on Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	6039.61	20934.87	4041.25	17805.05	0.29	0.23	0.06 Revenue growth along with higher margin has resulted in an improvement in the ratio
(k)	Return on Investment	Net Profit	Net Investment= Net Equity	3574.78	18987.05	2331.88	15568.66	0.19	0.15	0.04 Revenue growth along with higher margin has resulted in an improvement in the ratio



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

55 Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Bhagiradha Chemicals & Industries Limited	Parent Company
Enterprises under the significant influence of persons having significant influence over this company	
Agnova Chemicals Pvt Ltd	Mr.Ketan Chamanlal Budh, Whole Time Director, is interested.
VNA Express & Logistic Solutions	Mr.Ketan Chamanlal Budh, Whole Time Director, is interested.
Enterprises under the control of persons having significant influence over this company	
Greenpath Energy Private Limited	Mr.S.Chandra Sekhar & Mrs.S.Lalitha Sree Directors, are interested.
Key Management Personnel	
Sri. K S Raju	Independent Director & Chairman
Sri. S Chandra Sekhar	Managing Director
Sri. Sudhakar Kudva	Independent Director
Sri. D Sada Sivudu	Independent Director (up to 10-08-2021)
Smt. S Lalitha Sree	Director
Sri. G S V Krishna Rao	Independent Director
Sri. Kishor Shah	Independent Director
Smt. G Aruna	Independent Director
Sri. Ketan Chamanlal Budh	Whole Time Director
Sri. A Arvind Kumar	Chief Executive Officer
Sri. B Krishna Mohan Rao	Chief Financial Officer
Smt. Saheli Banerjee	Company Secretary (upto 25-02-2022)
Smt. R Sharanya	Company Secretary (w.e.f 26-02-2022)

Note : Names of related parties and description of relationship as identified and certified by the Company.

Transactions during the year:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Enterprises under the significant influence of persons having significant influence over this company		
Sales of Finished Goods (Including duties and taxes)		
Agnova Chemicals Pvt Ltd	-	67.41
Purchase of Goods / Services (Including duties and taxes)		
Agnova Chemicals Pvt Ltd	-	27.56
VNA Express & Logistic Solutions	6.27	9.29
b) Enterprises under the control of persons having significant influence over this company		
Greenpath Energy Private Limited		
Loans taken during the year from the enterprise	220.00	200.00
Loans repaid during the year to the enterprise	456.98	.50
Interest on Loans paid to the enterprise	18.99	3.39
c) Key Management Personnel		
i) Sri. S Chandra Sekhar		
Remuneration including commission	141.48	130.76
Unsecured loans taken from him	140.00	82.00
Unsecured loans Repaid to him	441.41	240.17
Interest on Unsecured loans paid to him	12.77	41.51



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for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

55 Related party disclosures (Contd..)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
ii) Sri. K S Raju Sitting Fees	1.45	1.20
iii) Sri. Sudhakar Kudva Sitting Fees	2.60	2.00
iv) Sri. D Sadasivudu Sitting Fee	.25	1.10
v) Smt. S Lalitha Sree Sitting Fee	1.70	1.20
vi) Sri. G S V Krishna Rao Sitting Fee	2.40	1.80
vii) Sri. Kishor Shah Sitting Fee	1.90	.70
viii) Smt. G Aruna Sitting Fee	1.60	.35
ix) Smt. A Lakshmi Sowjanya Sitting Fee	-	.25
x) Sri. Ketan Chamanlal Budh Remuneration	32.16	29.48
xi) Sri. A Arvind Kumar Remuneration (Including commission)	73.61	68.27
xii) Sri. B Krishna Mohan Rao Remuneration	30.74	27.06
xiii) Smt. Saheli Banerjee Remuneration	9.87	4.24
xiv) Smt. R Sharanya Remuneration	.94	-
xv) Smt. B N Suvarchala Remuneration	-	4.30

Closing Balances

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Enterprises under the Control of persons having significant influence over this company		
Greenpath Energy Private Limited Unsecured loans payable	-	217.98
b) Key Management Personnel		
i) S Chandra Sekhar Unsecured loans payable Remuneration payable Commission Payable Guarantee given for borrowings	- - 45.00 4791.65	288.64 - 45.00 4296.58
ii) A Arvind Kumar Commission Payable	22.80	22.80
iii) Agnova Chemicals Pvt Ltd	-	-
iv) VNA Express & Logistic Solutions	-	-



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

55 Related party disclosures (Contd..)

In compliance with Ind AS – 27: "Separate financial statements", The required information is as under:

SUBSIDIARIES	OWNERSHIP INTEREST	For the year ended	For the year ended
	COUNTRY OF INCORPORATION	March 31, 2022	March 31, 2021
Bheema Fine Chemicals Private Limited	India	100%	100%

56 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

Non-current borrowing comprises term loan from the banks. The impact of fair value on such portion is not material and therefore not considered for above disclosure.

Non-current borrowings comprises of Inter corporate borrowing has been valued at amortised cost using Effective Interest Rate (EIR).

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

Particulars	Carrying value		Fair value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Financial assets at fair value through profit & loss	-	-	-	-
Investments	-	-	-	-
Financial Assets at amortised cost	-	-	-	-
Loans	-	-	-	-
Deposits & Others	596.96	484.13	-	-
Trade Receivables	9658.86	5965.78	-	-
Cash & Cash Equivalents	222.00	35.08	-	-
Bank Balances other than above	81.56	26.09	-	-
Financial Liabilities at amortised cost	-	-	-	-
Borrowings (Non Current & Current)	8039.24	6218.35	198.23	184.24
Interest accrued	15.25	15.25	-	-
Trade Payables	5458.62	4630.62	-	-
Capital Creditors & Others	586.15	501.38	-	-

57 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.



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

57 RISK MANAGEMENT (Contd..)

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.

57.1 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

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	March 31, 2022	March 31, 2021
Not Due	9033.54	5065.61
0 - 90 Days	624.66	774.34
90 - 180 Days	-	114.23
180 - 270 Days	.08	-
270 - 365 Days	-	-
More than 360 Days	-	14.97
Total	9658.27	5969.16

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgment. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

b) Cash and Cash Equivalents

The Company held cash and cash equivalents of ₹ 222.00 Lakhs at March 31, 2022 (March 31, 2021: ₹ 35.08 Lakhs). This includes the cash and cash equivalents held with the bank and the cash on hand with the Company.

57.2 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.



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

57 RISK MANAGEMENT (Contd..)

The Company has obtained fund and non-fund based working capital loan from bank. The borrowed funds are generally applied for Company's own operational activities.

Exposure to liquidity risk:

a) The following are the remaining contractual maturities of financial liabilities at the reporting date.

The amounts are gross and undiscounted :

31-Mar-22

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
Non Current Borrowings (Including current maturities)	7057.81	723.70	273.42	106.72	8161.66
Interest Payable	15.25	-	-	-	15.25
Trade Payables	5458.62	-	-	-	5458.62
Other Payables	274.25	-	-	-	274.25
	12805.93	723.70	273.42	106.72	13909.77

31-Mar-21

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
Non Current Borrowings (Including current maturities)	4385.38	1269.96	609.80	159.04	6424.18
Interest Payable	15.25	-	-	-	15.25
Trade Payables	4769.03	-	-	-	4769.03
Other Payables	230.68	-	-	-	230.68
	9400.34	1269.96	609.80	159.04	11439.15

b) Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The company's exposure to the risk of changes in the market interest rate relates primarily to the company's long term debt obligations with floating interest rates. The company's interest rate exposure is mainly related to variable interest rates debt obligations. The Company manages the liquidity and fund requirements for its day to day operations like working capital, suppliers/buyers credit.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	March 31, 2022	March 31, 2021
Floating rate instruments		
Financial Liabilities - measured at amortised cost		
Term loan from banks	1278.16	1660.85
Working capital facilities from bank	3938.84	3107.21
Bills Discounting	2486.37	759.42
Credit Card Dues	137.64	-
Fixed rate instruments		



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

57 RISK MANAGEMENT (Contd..)

Particulars	March 31, 2022	March 31, 2021
Loan from intercorporates (Unsecured)	-	217.98
Loan from Directors (Unsecured)	-	288.64
Total	7841.01	6034.11

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

The risk estimates provided assume a change of 25 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date assuming that all other variables, in particular foreign currency exchange rates, remain constant. The period end balances are not necessarily representative of the average debt outstanding during the period.

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
31-Mar-22		
Variable rate loan instruments	19.60	(19.60)
31-Mar-21		
Variable rate loan instruments	15.09	(15.09)

57.3 a) Market Risk

Market risk is the possibility of losses that may be incurred by the company due to factors that affect the overall performance of the company – such as foreign exchange rates, interest rates, recessions etc. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily due to the fluctuations in the rate of interest for borrowings from banks, recession in the market, foreign exchange rate fluctuation etc.

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) Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2022 & March 31, 2021 are in Indian Rupees.



Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

57 RISK MANAGEMENT (Contd..)

Particulars	March 31, 2022	March 31, 2021
	USD	USD
Financial Assets		
Cash & Cash equivalents	201.75	3.81
Trade & Other Receivables	2428.43	271.00
	2630.18	274.81
Financial Liabilities		
Trade & Other Payables	1562.64	1228.55
Advance from Customers	-	-
	1562.64	1228.55
Net Exposure	1067.53	(953.74)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars and Pounds at March 31 would have affected the measurement of financial instruments denominated in US dollars and Pounds and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

31-Mar-22

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	10.68	(10.68)	-	-
	10.68	(10.68)	-	-

31-Mar-21

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	(9.54)	9.54	-	-
	(9.54)	9.54	-	-

D) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

58 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.





Notes to Consolidated Financial Statements

for the year ended March 31, 2022

(Amount in Indian Rupees in lakhs unless otherwise stated)

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.

Particulars	March 31, 2022	March 31, 2021
Non Current borrowings	1003.01	1921.93
Current borrowings	7051.47	4311.67
Total Debts	8054.49	6233.60
Less: Cash & Cash equivalents	222.00	35.08
Other bank deposits	81.56	26.09
Adjusted net debts	7750.93	6172.43
Equity	833.43	833.43
Other Equity	18153.63	14735.24
Total Equity	18987.05	15568.66
Adjusted net debt to equity ratio	0.41	0.40

59 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

60 Figures of the Previous year are regrouped / reclassified wherever considered necessary and rounded off to the nearest lakh.

As per our report of even date

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

For and on behalf of the Board of Directors

Bhagiradha Chemicals & Industries Limited
(CIN-L24219TG1993PLC015963)

Shailendra Singhvi

Proprietor
Membership No. : 023125/ICAI

K S Raju

Chairman
DIN NO. 00008177

S Chandra Sekhar

Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 26th May 2022

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary
M. No: ACS-63438



Basis of Reporting:

We have prepared this Report in accordance with the Companies Act, 2013 (and the Rules made thereunder), Indian Accounting Standards, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards and such other rules as applicable to the Company.





BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED

CIN : L24219TG1993PLC015963

Registered Office

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Factory

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