



Upholding a cherished

Legacy



Y E A R S

of Building Trust and
Delivering Excellence

30th Annual Report 2022-23

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To view the report online, log on to <https://www.bhagirad.com/areports.html>



Scan the QR Code to know more about the company

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 forwardlooking statement, whether as a result of new information, future events, or otherwise.

Upholding a cherished
Legacy

3

Y E A R S

**of Building Trust and
Delivering Excellence**

Since its inception 30 years ago, Bhagiradha Chemicals & Industries Ltd (BCIL), has embarked on an inspiring journey, transforming from a modest agrochemical company located in a backward district of combined Andhra Pradesh, to a widely recognized and preeminent agrochemical manufacturer in the domestic and overseas markets

BCIL was established in the year 1993 by visionary entrepreneur, late Sri. S. Koteswara Rao, who recognized the immense potential of the agrochemical industry. Armed with a clear mission to enhance crop productivity, ensure food security, and promote viable farming practices, Sri. S. Koteswara Rao, laid the foundation for what would become a remarkable success story.

BCIL portrayed remarkable resilience during turbulent times and withstood adverse and dynamic business conditions to emerge stronger over the years. BCIL, consistently ensured that its R&D capabilities broadened its strong product portfolio on a regular basis to meet the emerging market needs and currently lined up certain products for commercialization as soon as the necessary approvals are in place. Its manufacturing facility has been modernized from time to time with emphasis on enhancing safety, improving operational efficiency, quality assurance and from the regulatory compliance perspectives. The construction of the manufacturing plant of its subsidiary, Bheema Fine Chemicals Private Limited, at Kadechur, Karnataka is

in progress and it will roll out commercial production within a year from now.

As the company enters the 31st year of existence, it remains firmly committed to its founding values and his founder's vision and mission with a strong emphasis on continuous improvement and leveraging emerging technologies, environmental sustainability and customer satisfaction. With an impressive track record, strong R&D skills, experienced management, loyal customer base, capacity expansion plans and above all a committed workforce, BCIL believes that it is poised to make significant strides in the coming years in line with its determined business plans.



Bhagiradha Chemicals at a glance

23 countries

Presence

₹ 1246.58
crores

Market capitalisation

₹ 79.69 crores

EBITDA

15.81%

EBITDA Margin

₹ 46.41 crores

PAT

BCIL focused on driving non-infringing and innovative processes through extensive research and development efforts, since beginning. With utmost dedication, pioneering solutions, and a strong commitment to environmental management, BCIL has evolved and cemented its place as a reputed player in the agrochemical sector.

Forming alliances with leading players in various regions, it successfully entered international markets, built enduring relationships and strong customer base, securing its position as a global agrochemical player. Today, with a permitted production capacity of 3250 tons per annum and a range of 15 products, BCIL has left its footprints in about twenty-three countries across the globe, serving the farming communities worldwide.

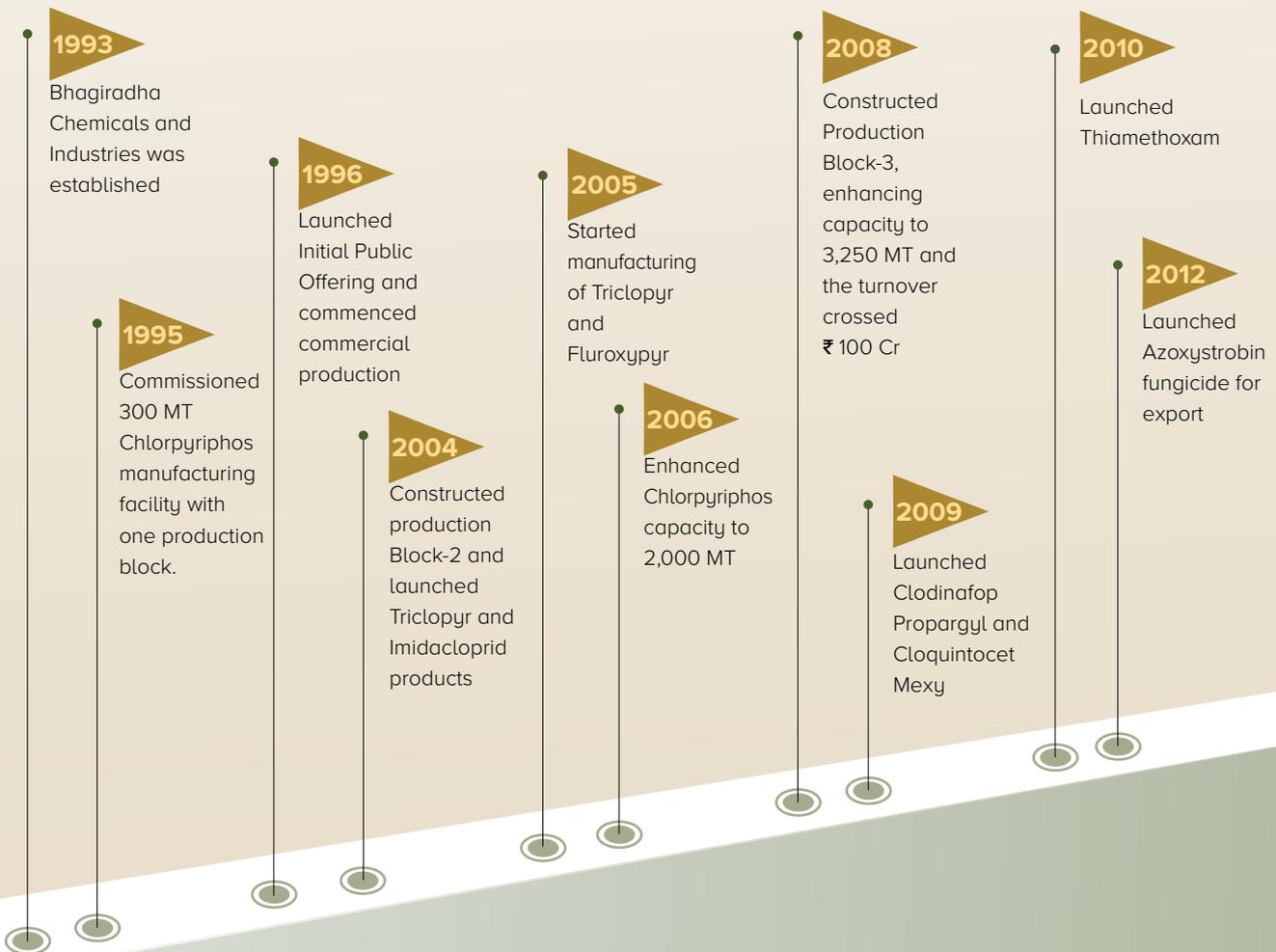




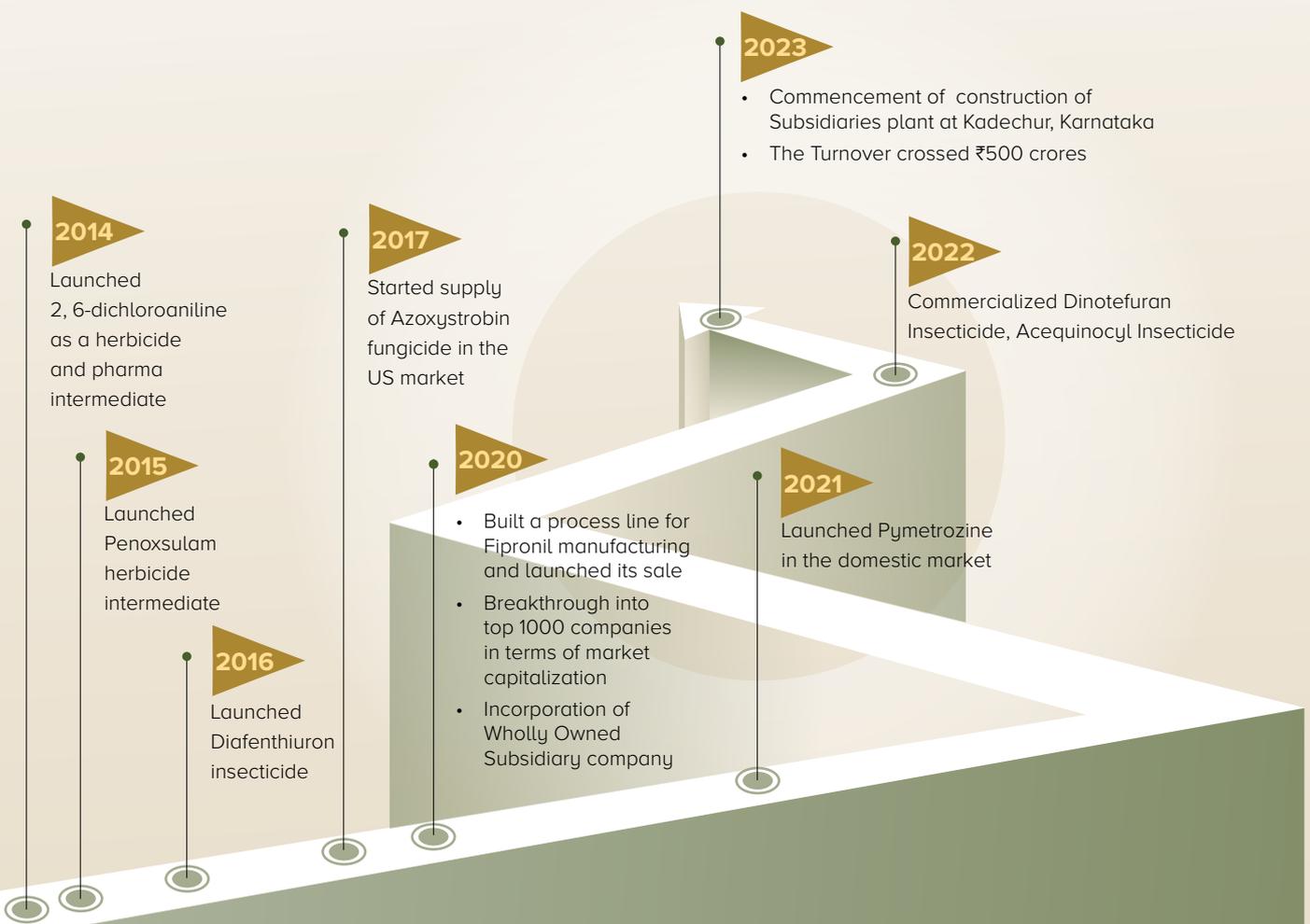


30 years of sustainable growth

Our journey as an agrochemical manufacturing company, over the past three decades, has been defined by several milestones and pursuit of excellence. Consistence in delivering quality products has been an obsession for BCIL and forms part of its DNA and this has helped us establish as a trusted and respected name in the agrochemical landscape. Looking ahead, we remain committed to our ethical business values and eco-friendly manufacturing practices.



Our R&D Center situated within the factory premises is recognized by Ministry of Science & Technology, Government of India. Having latest equipment and instruments and an expert team of qualified personnel, it is instrumental for the development of viable processes for new products, process upgrades through backward integration and for optimizing existing technologies and scale. Our deep innovation capabilities have enabled us to establish a portfolio of 15 products spread across various insecticides, herbicides and fungicides and other intermediates.





Our presence



We have our footprint in the following countries

- Argentina
- Australia
- Belgium
- Brazil
- Chile
- Colombia
- Costa Rica
- Egypt
- Germany
- Hong Kong
- Israel
- Indonesia
- Korea
- Malaysia
- Mexico
- New Zealand
- Portugal
- South Korea
- Taiwan
- Turkey
- UAE
- United Kingdom
- USA



New products driving growth

We have a strong product pipeline ready for commercial production and some of these products shall be introduced to the market in the coming years.

To meet the growing needs of the customers and continue to remain among the front runners, our R&D team is working on process development of a few products which shall go off- patent in the near future.

As we continue to research and develop processes to strengthen our product portfolio, we are excited to enter into the next decade of our journey and offer our expertise for growth for the larger benefit of the agrochemical sector, economy and our country.





Business model

Focused on sustainable growth

Input

FINANCIAL CAPITAL



We use our financial resources to make prudent investments in the business and enhance our market presence.

- Debt-equity ratio: **0.16**

MANUFACTURED CAPITAL



To produce high-quality agrochemicals, we rely on sophisticated manufacturing facilities that aid efficiency and enhance productivity across the supply chain.

- Manufacturing facilities: **1**

HUMAN CAPITAL



Our workforce is the backbone of the business and plays an integral role in fulfilling organisational objectives.

- Number of employees on rolls: **467**
- Employee benefit expenses: **₹ 29.54 crore**

SOCIAL AND RELATIONSHIP CAPITAL



We strive to strengthen ties with value chain partners as well as other stakeholders.

- CSR spend: **₹ 0.62 crore**

INTELLECTUAL CAPITAL



Our highly competent R&D team that functions under the direction of our Managing Director, is one of our most valuable business assets that gives us the wherewithal to optimize process costs to withstand competition in the business.

- Patents file/granted: **8/5**
- No. of people in R&D team: **14**

NATURAL CAPITAL



We remain committed to minimize the impact of our operations on the environment and strictly abide and comply with the regulatory norms.

- Energy consumption: **4,47,044 GJ**
- Water consumption: **95,660 KL**



Value creation model



Vision

To emerge as a leading agrochemical Company with a decent market share in the domestic segment and a strong presence in the overseas market. Strong emphasis on new markets to ensure diversified revenue streams.



Mission

Accelerating and focussed growth with strong R&D capabilities and niche chemistry skills.

Research and innovation



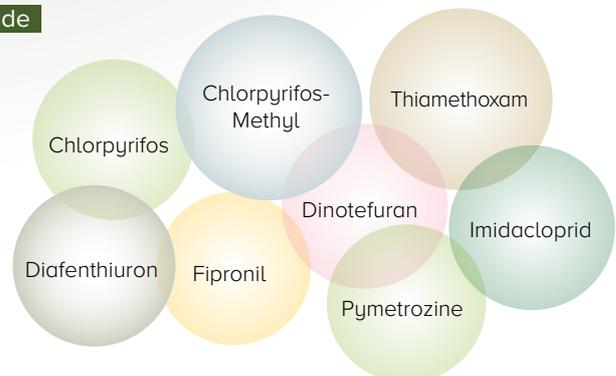
Our activities



Customer feedback

Our Product Portfolio

Insecticide



Stakeholders impacted



Shareholders



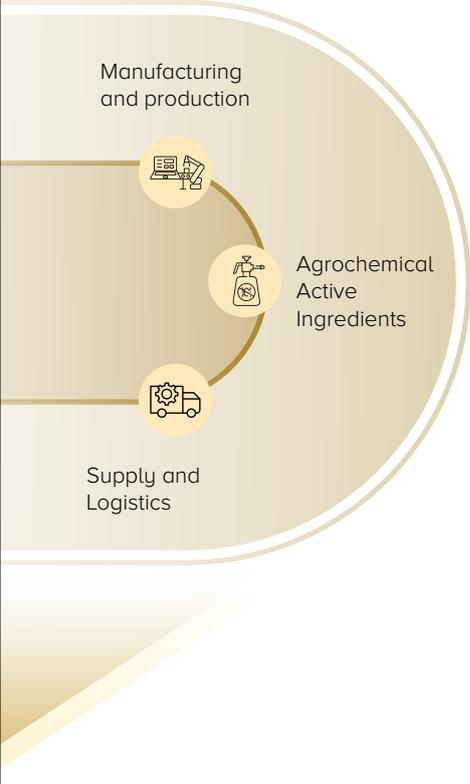
Farmers



Employees



Customers and suppliers



Fungicide

- Azoxystrobin

Herbicide

- Triclopyr
- Clodinafop-propargyl
- Cloquintocet-Mexyl (Safener)

Specialty Intermediates

- 2,6- Dichloroaniline



Communities

Output



FINANCIAL CAPITAL

- Net worth: **314.81 crores**
- Total revenues: **503.94 crores**
- Growth in Revenues: **15.44%**
- Growth in EBITDA: **15.94%**
- Dividend: **₹ 4/- per share**
- PAT: **46.41 crores**



MANUFACTURED CAPITAL

- Production capacity **3,250 MT**



HUMAN CAPITAL

- Total hours of training: **340 hrs**



SOCIAL AND RELATIONSHIP CAPITAL

- Beneficiaries of CSR activities: **3,978**



INTELLECTUAL CAPITAL

- New processes: **29**



NATURAL CAPITAL

- Reduction in energy intensity: **5.34%**
- Reduction in water intensity: **15.93%**

Outcomes

- Improved financial performance
- Generation of values for shareholders

- Manufacturing of high quality products
- Optimum resource utilisation

- Increased employee retention rate
- Safe and inclusive work environment
- Diverse and committed workforce
- Personal and professional growth of employees

- Positively impacting lives through CSR activities
- Contributing to the holistic development of society

- Manufacturing sustainable products that minimise environmental impact and ensure cost-efficiency
- Development of innovative and non-infringing processes to meet future needs

- Optimal utilisation of natural resources
- Reduction of environmental footprint
- Zero liquid discharge



Chairman's message



K. Satyanarayana Raju
Chairman



The dedication and tenacity of our personnel have been integral to upholding our cherished legacy of 30 years. Through their unwavering commitment, we have been able to build trust and deliver excellence to our valued clients over the years. Their sense of belongingness and relentless pursuit of quality have played a crucial role in driving our growth and delivering significant value to our stakeholders.

I am delighted to present the annual report summary for the fiscal year 2022-23, highlighting the significant developments and achievements of our company amidst a dynamic and challenging environment. The year marks three decades of our company's journey, having created sustained value for stakeholders, consistently.

The year under review has also been another year of turbulence with the world economy hit by the geopolitical uncertainties and mounting inflationary pressures largely attributable to the persisting Russia-Ukraine war leading to impaired growth of major economies, despite the receding effects of the pandemic. While Indian economy remained resilient, aided by healthy performance by agriculture and service sectors, agrochemical sector witnessed inventory pile-up and demand contraction owing to excess supplies in the market in the last couple of quarters.

Against this backdrop, your company has posted commendable numbers by surpassing the INR Five Hundred crore turnover mark during the year. The gross income improved to ₹ 503.93 Cr from ₹ 436.53 Cr of the previous year, registering a growth of 15.44%. The profit before tax jumped to ₹ 65.04 Cr from ₹ 51.46 Cr of the previous year, clocking a growth of 26.38%. The profit after tax stood at an all-time high of ₹ 46.40 Cr recording an improvement of 29.27% over the PAT of previous year. There has been a contraction in the export sales from ₹ 105.42 Cr to ₹ 53.29 Cr, in keeping with the business strategy and prevailing overseas market conditions. Our proactive measures included increasing safety stocks, strengthening procurement arrangements, and adjusting prices to accommodate the market dynamics. By swiftly adapting to the changing environment, we ensured the uninterrupted supply of our products to meet the demands of our valued customers.

Indian agrochemical industry has huge unrealized potential for growth as the application of agrochemicals per acre is very low compared to other large countries. Therefore, its role in realizing the government's vision of USD 5 Trillion economy by the year 2025 cannot be overemphasized, as it not only ensures food security and provides livelihood but also provides impetus to the growth of industrial and service sectors. Your Company is already among the top 1000 companies of the country in terms of market capitalization and aspires to be an important spoke in realizing the government's vision in the coming years.

The dedication and tenacity of our personnel have been integral to upholding our cherished legacy of 30 years. Through their unwavering commitment, we have been able to build trust and deliver excellence to our valued clients over the years. Their sense of belongingness and relentless pursuit of quality have played a crucial role in driving our growth and delivering significant value to our stakeholders.

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 extend my deepest gratitude to our esteemed shareholders who stood with us and believed in our vision. I would also like to express our sincere thanks to the state and central governments, our customers, vendors, bankers, Merchant bankers, Registrars and all other stakeholders who have played a crucial role in our journey. Together, we will continue to navigate uncertainties and seize opportunities, ensuring a prosperous future for our company and all our stakeholders.

Best Regards,
K. Satyanarayana Raju
Chairman



Managing Director's message



S. Chandra Sekhar
Managing Director



To overcome the pressure on margins, we have been making capital investments over the years to facilitate backward integration of certain processes as a strategy, which has yielded significant benefits.

The financial year year 2022-23 has been an important year for our company, as we celebrate three decades of existence reflecting our enduring commitment to excellence and growth. Despite the challenges faced in our operating environment during this period, we have demonstrated resilience and come back strongly every time we faced a setback.

I feel extremely happy in sharing with you the performance highlights of your company for the year under review. While the revenues from operations crossed the five hundred crore milestone and stood at ₹ 502.09 Cr compared to ₹ 435.67 Cr of the previous year, the EBITDA improved

to ₹ 79.69 Cr against the previous year's ₹ 69.19 Cr, registering a growth of 15.25% and 15.17 % respectively. The profit before tax rose to ₹ 65.04 Cr from the previous year's ₹ 51.46 Cr and the profit after tax stood at ₹ 46.41 Cr against the previous year's ₹ 35.90 Cr, clocking growth of 26.38% and 29.27 % respectively. This impressive performance is achieved with strong focus on domestic sales.

To overcome the pressure on margins, we have been making capital investments over the years to facilitate backward integration of certain processes as a strategy, which has yielded significant benefits. Our endeavour is to lower our reliance on China for procuring raw materials and achieve cost efficiency. Through meticulous product selection, we have aligned our offerings with market demand, ensuring a competitive edge in the industry. Our R&D team is working overtime to build a robust pipeline of viable products for commercialization in the coming years and we are actively pursuing for expeditious registration approvals for a diverse range of commercially promising products, both in domestic and overseas markets which shall be the drivers of our future growth

and success. The manufacturing plant of our wholly owned subsidiary is under implementation at Kadechur, Yadgir district, Karnataka and additional capacities shall be available at full steam in the next financial year.

We are fuelled by the momentum we have built over the past years and are resolute in our mission to continue exceeding the expectations of our shareholders, customers, and stakeholders. The unwavering commitment shown by our employees at all levels deserves all praise and I sincerely thank everyone of them.

We thank the shareholders for their confidence reposed in us. We understand the importance of earning and maintaining the trust and confidence of all the stakeholders as we venture into uncharted territories, seeking new opportunities for innovation and advancement.

Warm regards,
S. Chandra Sekhar
Managing Director

CEO's message



A. Arvind Kumar
Chief Executive Officer



We are aiming to have registration approvals in place during the current year for a couple of products which have significant commercial potential and also focusing on improving our overseas footprint with appropriate strategies.

Dear Shareholders,

As your company steps into its 31st year of existence with rich legacy, I feel immensely happy that we could come out with an outstanding performance in the financial year 2022-23.

We have crossed the key milestone of ₹ 500 Cr sales during the year and achieved the highest ever net profit of ₹ 46.41 Cr. These numbers were achieved, despite the slowdown in global economic growth due to trade tensions, continuing Russia- Ukraine war and elevated inflation levels among other factors. Our steadfast commitment to our medium to long term vision, combined with a dynamic

and result-oriented team, backed by the able guidance of our Board Members, has propelled us to achieve this remarkable performance.

While the global economic outlook continues to remain fragile and concerns of glut in the agrochemical market place loom large, we are confident of navigating successfully through these testing times with proper strategies and sustain the momentum of growth demonstrated by us over the years. We are aiming to have registration approvals in place during the current year for a couple of products which have significant commercial potential and also focusing on improving our overseas footprint with appropriate strategies.

The civil works relating to the manufacturing facility of our wholly owned subsidiary, Bheema Fine Chemicals Private Limited, at Kadachur, Karnataka, are under progress and the much needed

capacity augmentation shall happen in the next fiscal and this will not only create new revenue streams but will also enable us to meet the evolving demands of our valued customers.

With a proven track record of operational excellence, robust research and development capabilities, strategic plans for capacity expansion, uncompromising thrust on quality and an experienced management team at the helm, we have confidence in our ability to generate long-term value for our shareholders.

I sincerely thank all my colleagues, who have given their best to the company, and all our stakeholders who have kept their faith in us.

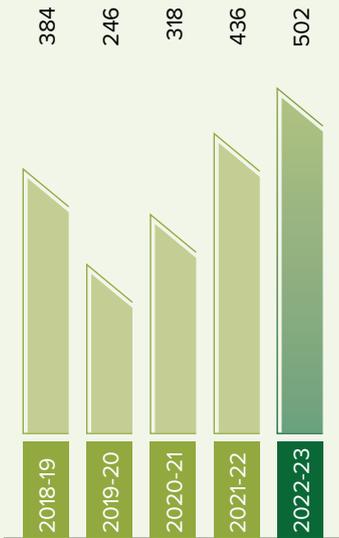
Warm regards,
A. Arvind Kumar
Chief Executive Officer



Financial highlights

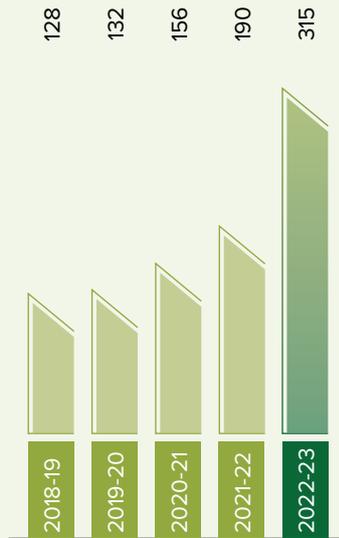
Revenue

(₹ In crore)



Net Worth

(₹ In crore)



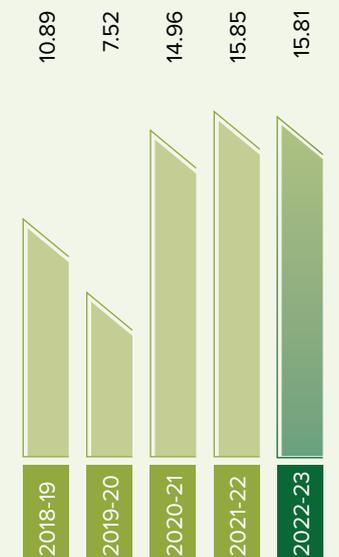
EBITDA

(₹ In crore)



EBITDA Margin

(In%)

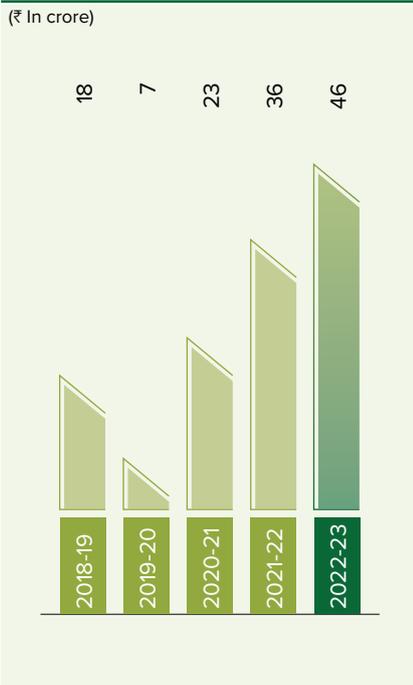


Cash profit

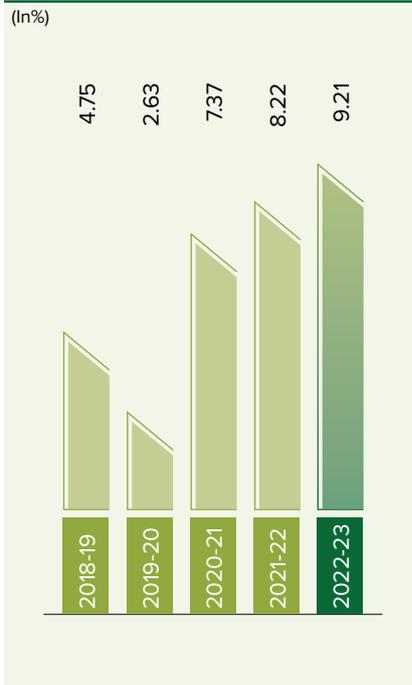
(₹ In crore)



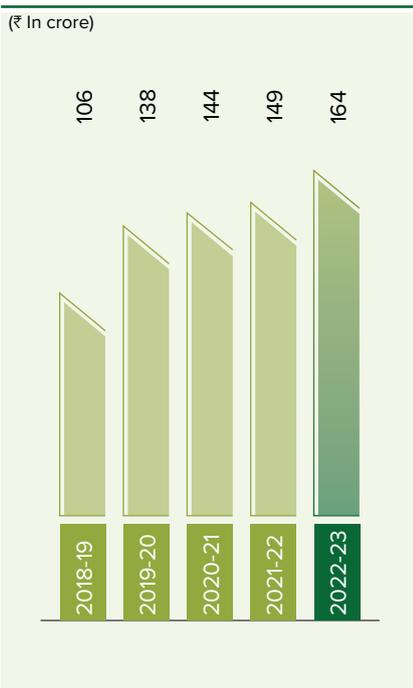
Profit After Tax (PAT)



PAT Margin



Net Fixed asset



EPS





Strengthening our core capabilities



MANUFACTURING FACILITIES

BCIL is operating its manufacturing facility in Cheruvukommupalem, Ongole, Andhra Pradesh. More than sixty percent of the 71.68 acres of factory land is open area covered with green belt and its three production blocks catering to five process lines, utilities, quality assurance block, warehouse, R&D facility etc. are located in a well-planned layout. .

We are putting in the best of efforts not to be left behind in adopting latest technologies in the wake of fundamental shift in advanced manufacturing landscape. Through thoughtful application of these

new technologies and capabilities, BCIL is aiming at automation of processes wherever possible and enacting new safety protocols for employees. The CAPEX incurred by BCIL over the past few years has gone into modernizing the plant operations in line with the changing requirements of the customers to stay relevant in the market. Its Effluent Treatment Plant has undergone a thorough overhaul during the last five years and conforms to the best of standards, equipped with Stripper, Multiple Effect Evaporators, forced Evaporation system, Agitated Thin Film Dryers, Biological Treatment Plant and Reverse Osmosis plant. Inorganic sludge

generated in the process is disposed to secured land fill approved by the regulatory authorities after necessary treatment.

The company has consistently received quality certifications from various independent bodies endorsing that the practices and systems followed by it under various parameters relating to various facades of the manufacturing operations and environmental and regulatory norms, conform to the required standards.





QUALITY ASSURANCE, CONTROL & COMPLIANCE

Efficient quality management has all along been the hallmark of BCIL over the years and forms part of its core legacy. BCIL has a modern laboratory equipped with contemporary instruments and technical tools situated within the factory premises, where the Quality Assurance and Control departments function. Standard daily checks are conducted to identify defects in the incoming raw materials and finished products. Regular quality checks are conducted to pinpoint defects and course corrections at all stages of the manufacturing process. Process gaps identified during Quality assurance and Control checks are analyzed and the Standard Operating Procedures are updated accordingly. Regular schedule of plant inspection and compliance audits help us in identifying inadequacies to come out with solutions to improve the processes quickly.



RESEARCH AND DEVELOPMENT

The company's R&D department functions within the factory premises in Cheruvukommupalem. A compact yet competent team of BCIL has demonstrated its capabilities time and again coming out with novel processes and cost optimizing solutions on a regular basis. Inspired by the Founding Director, Dr Malladi Pardhasaradhi, who kindled passion, the team is ceaselessly putting efforts to roll out un-infringing processes for the generic molecules identified based on its commercial potential. During the year under review, two Indian patents have been granted for the following processes developed in our R&D.

- PREPARATION OF HIGH PURITY TRIFLUOROMETHYL SULFINYL CHLORIDE USING HYPERVALENT IODINE CATALYST
- PROCESS FOR PREPARATION OF [1,4,5]-OXADIAZEPANE OR ITS SALTS

A semi Commercial plant has been set up alongside the present R&D block to accelerate the process of full scale production for those of the products proposed for commercialization in the near future.



ENVIRONMENTAL HEALTH AND SAFETY MANAGEMENT SYSTEM

BCIL believes that EHS management is a crucial aspect of its operations, as it not only minimizes environmental impact and improves worker safety and well-being but also improves employee retention, productivity and enhances the company's brand image, spurring customer and corporate growth. EHS systems are constantly monitored and fine-tuned to address the new risks and hazards related to the work place and the environment surrounding the company's operations and the EHS policy is updated from time to time. An onsite Occupational Health Centre operates round the clock with necessary medical infrastructure and deals with health issues or emergencies. Qualified medical personnel man this Medical Centre and conduct medical checkup of all employees periodically.

Effectively dealing with industrial waste water is a legal obligation and a matter of strict regulatory compliance. To ensure this, an efficient Zero Liquid Discharge system is in place forming part of the in house effluent treatment plant which separates solid waste and water from the effluent. The water is recycled and used in the cooling towers, while the solid waste is disposed to approved landfills, thus ensuring that no water or air pollution is caused on account of company's operations.





Identifying opportunities in a dynamic market



DEMAND FOR SUSTAINABLE PRODUCTS

Our nation is the world's largest producer of pulses and spices and has the most land planted to wheat, rice, and cotton. It is the second-largest producer of rice, wheat, cotton, sugarcane, and fruits and vegetables. Agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country's population. The Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025 and rapid population expansion in India is the main factor driving the industry. Despite the potential and crucial role played by this sector, it faces several challenges that hinder its growth and profitability due to lack of needed awareness and apprehensions on the part of farmers and also the slow pace of registrations leading to high R&D costs and turnaround time. BCIL is committed to quality and it will thrive to follow the best of manufacturing processes to rollout sustainable generic agrochemicals at affordable cost to its customer.



ADOPTION OF CONTEMPORARY TECHNOLOGY

The rapid adoption of advanced technology in the chemical industry has led to the development of new-age products that help to optimise farming practices and improve crop yield. To sustain our position in a competitive market, we are utilising advanced technology for our production processes as well as to enhance our research capabilities.



INCREASED FOCUS ON RESEARCH AND DEVELOPMENT

Crop protection sector has played an important role in bringing change from subsistence farming, low growth in crop and grain production to the green revolution that propelled surplus production over the last four decades in India. R&D has played a crucial role in making this transition possible and its contribution continues to be vital for the growth of crop protection sector. Founded by visionary Scientists, Bhagiradha is continuing its journey in upgrading its Research & Development capabilities and facilities to harness their power independently. As a good number of molecules have gone off patent in the recent years and some more are set to follow suit, Bhagiradha is strategically implementing its plans to fortify its R&D infrastructure and resources to take advantage of the opportunities that have been unfolding.



GOVERNMENT'S EMPHASIS ON AGROCHEMICAL SECTOR

India has emerged as one of the largest producers of agrochemicals in the world, mainly due to the government's agriculture focused initiatives to increase production and reduce crop loss. Several revolutionary reforms and initiatives have already been implemented with the goal of achieving world- class agricultural productivity. With a vision of achieving 'Atmanirbhar Bharat', the government is turning every stone in the form of 'Make in India' reforms in law, benefits to marginal farmers, and crop based subsidies to meet the United Nations' goals of sustainable development. We have a balanced portfolio of fungicides, insecticides and herbicides. It would mean a great push to our company, if the benefits of Production Linked Incentive scheme launched by the central government are also made available to the agrochemical sector.



ESG

Nurturing sustainability – for people and the planet





ENVIRONMENT

As a responsible Corporate, ESG forms the core of our business philosophy and is closely integrated with our operational initiatives. BCIL conducts its manufacturing operations in an environmentally responsible manner. About 60% of BCIL's plant area is covered under green belt. The company continues to upgrade its infrastructure to reduce emissions and has installed Online Continuous Emission Monitoring System to record real time data and is following the 'Miyawaki Plantation' Methodology as per the directions of the Pollution Control Board.

SOCIAL

Employee engagement

BCIL believes in creating sustainable value for all its stakeholders, and sustainability is closely integrated into the company's philosophy. The Company's social commitments span in the areas of education, health and community development.

Training and development

The development of our people is vital to sustained growth of the organisation. We initiate different types of training and development programmes to foster skill development and create a future ready workforce.

GOVERNANCE

We believe that a strong system of corporate governance gives us the ability to cultivate an ethical and sustainable work environment. As a result, we are committed to upholding high standards of corporate governance in conducting our business and upholding a strong self-regulatory system that safeguards the interests of different stakeholders. We do this by regularly reviewing our policies, creating an environment that encourages ethical behaviour, and promptly informing our staff of important policy changes. Our goal is to operate at the highest level of excellence while maintaining an ethical and transparent organisational culture.



People that help build our Legacy

Making meaningful change possible

At Bhagiradha, we are dedicated to making a meaningful difference through our Corporate Social Responsibility initiatives.

We believe that by conducting our business with utmost respect for the environment and the community, we can contribute to a sustainable and inclusive future for all.

Our commitment to society evolved into a well established and highly-appreciated CSR activity engaged in education, healthcare, and community/rural development surrounding our plant.

During the Financial Year 2022-23, the company, through its CSR Implementing Partner “Singavarapu Koteswara Rao Charitable Trust (SKR Charitable Trust)” set up a Reverse Osmosis Plant to cater to the drinking water needs of the villagers of Cheruvukommupalem, Prakasam District, Andhra Pradesh, which would operate under the aegis of SKR Charitable Trust as part of BCIL's CSR obligation.



Health & Safety

Ensuring health and safety, physical as well as mental, of our employees remains at the core of our policy. We have robust safety programs that are crucial for the overall safety and well-being of our employees. To guarantee that our current health and safety standards are met, new additions and adjustments are made to the systems on a regular basis.

Being a people-centric employer, we continuously invest towards ensuring employee well-being, health and skill upgradation. To build a strong company and strong individuals, we employ a mix of strategies which include conducting interactive sessions, undertaking engagement initiatives and providing training and skill development programs to employees and workers.



SAFETY MOCK DRILL



467

Total no. of employees on rolls

36.50

Average age of employees



Board of directors

NON-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.

EXECUTIVE DIRECTOR



**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.

NON-INDEPENDENT, NON-EXECUTIVE



Sri. Krishna Rao S. V. Gadepalli

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.



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.



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

Management and Discussion Analysis

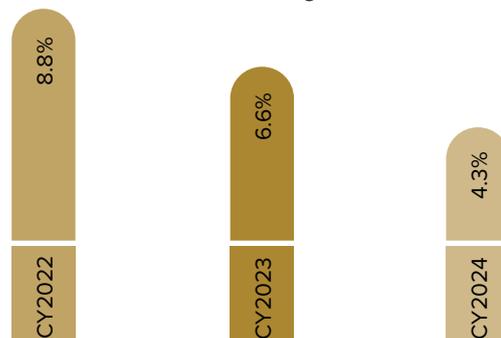


Global economy

In CY 2023, the world's economies faced major economic challenges as a result of the geopolitical crisis in Europe and mounting inflationary pressures across the globe. Persistent inflation has resulted in a synchronised tightening of monetary policies and the counter measures taken by Central Banks and governments for containing inflation are limiting the economy's growth.

Owing to high volatility in the major economies of the world, including the US, Europe and China, the risks of a global recession loom large. However, appropriate regulation of monetary policies, resolution of geopolitical conflicts and supply-chain disruptions, as well as effective management of the lingering effects of the COVID are expected to restore the pre-pandemic growth levels of the global economy. In the course of 2023, though inflation has receded with central banks raising interest rates, underlying price pressures are proving sticky, with labor markets being tight in several economies. Going forward, global inflation is expected to decelerate from 8.8% in CY2022 to 6.6% in CY2023 and 4.3% in CY2024. It is likely that the world's emerging and developing economies will contribute significantly to accelerating global economic growth in the years ahead.

Gradual decline of global inflation



Outlook

In its report of April 2023, the IMF predicts uncertain outlook amid financial sector turmoil, high inflation, ongoing effects of Russia-Ukraine war and three years of Covid. The baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced

¹ <https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023>



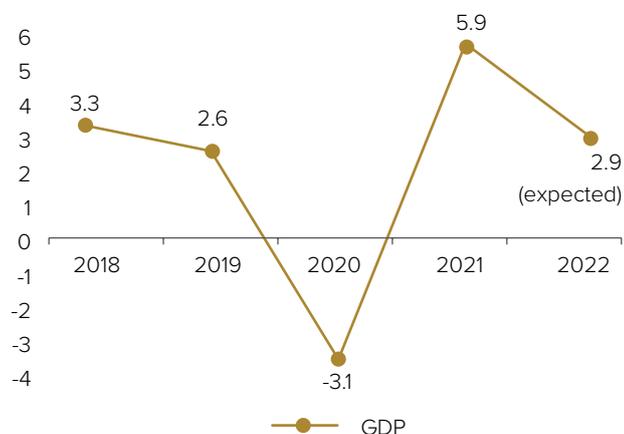
economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases.

Global growth is anticipated to touch 2.9% in CY2023 before peaking at 3.1% in CY2024. According to the IMF, India and China will account for more than half of global growth in CY2023. As per the latest projections, Emerging Markets and Developed Economies (EMDEs) are expected to grow by 5.3% in CY2023, demonstrating the fading impact of economic headwinds in the Asia Pacific region. Leveraging the pent-up demand, economic strength is likely to be bolstered in the near future and is expected to create more opportunities of growth.



According to the IMF, India and China will contribute more than half of the world's growth in CY2023, with the rest of Asia adding a further quarter. The IMF predicted that in CY2023, the EMDEs would grow by 5.3%, demonstrating the fact that the economic headwinds in the Asia and Pacific region have begun to ease.

Global GDP growth for the last 5 years ³



Indian economy

India's growth continues to be resilient despite some signs of moderation in growth, says the World Bank in its latest India Development Update, the World Bank India's biannual flagship publication. "The Indian economy continues to show strong resilience to external shocks," said Auguste Tano Kouame, World Bank's Country Director in India. "Notwithstanding external pressures, India's service exports have continued to increase, and the current-account deficit is narrowing.

The Update notes that although significant challenges remain in the global environment, India was one of the fastest growing economies in the world. The overall growth remains robust and is estimated to be 6.9 percent for the full year with real GDP growing 7.7 percent year-on-year during the first three quarters of fiscal year 2022/23. There were some signs of moderation in the second half of FY 22/23. Growth was underpinned by strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners. Inflation remained high, averaging around 6.7 percent in FY22/23 but the current-account deficit narrowed in Q3 on the back of strong growth in service exports and easing global commodity prices.

The World Bank has revised its FY23/24 GDP forecast to 6.3 percent from 6.6 percent (December 2022). Growth is expected to be constrained by slower consumption growth and challenging external conditions. Rising borrowing costs and slower income growth will weigh on private consumption growth, and government consumption is projected to grow at a slower pace due to the withdrawal of pandemic-related fiscal support measures.

Despite global economic unrest, India maintained its position as one of the fastest-growing economies in the world, recording a significant growth of 8.7% in FY22. But the rapid tightening of monetary policies in advanced economies has resulted in the depreciation of the Indian rupee against the US dollar. The Indian economy expanded significantly in FY22, and as the nation marked its 75th year of independence, it became the sixth-largest economy in the world. Nominal gross domestic product (GDP) growth is projected to be 15.4% in FY23, far higher than the 11.1% assumed in the Union Budget.

Outlook

The Indian economy is on track to grow by 7% of GDP in FY2022-23, notwithstanding the prevalence of high inflationary trends. The higher volume of e-way invoices generated, increased electronic toll collections and a sustained rise in GST Collections, all demonstrate a positive trend. Manufacturing activity continues to expand gradually, as shown by indicators such as the PMI for manufacturing, the Index of Industrial Production and the Index of Core Industries (ICI). Services sector indices (UPI transactions, high credit demand) also point to continued growth.

India is expected to be a USD 3.5 trillion economy by the end of FY2022-2023 as per the economic survey report tabled in the Parliament and is anticipated to touch USD 7 trillion within the next seven years. Favourable policies continue to support economic recovery and have also improved investor sentiment.

²<https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2021&start=2014>

³<https://timesofindia.indiatimes.com/business/india-business/indias-economy-expands-8-7-in-fy22-q4-growth-at-4-1/articleshow/91918744.cms>

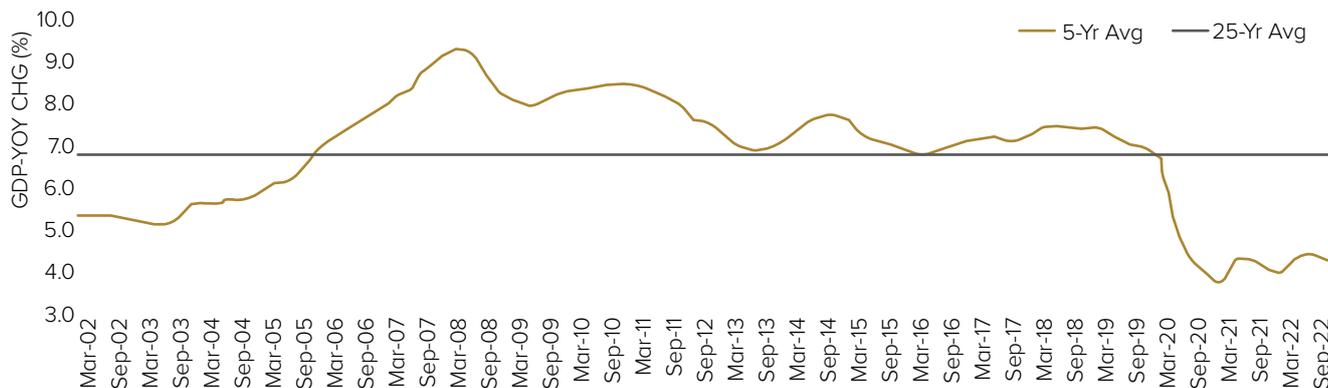
⁴Economic Times Delhi 10/01/2023

However, monetary and fiscal tightening over the forecast horizon is anticipated to be less prominent in India than in the rest of the South Asian region.

Overall, India's demand outlook continues to be favourable for sustaining economic growth. India is in a sweet spot to step into the current fiscal year backed by underlying and overall macroeconomic stability. However, India remains vigilant about geopolitical and geo-economic concerns.

Long-term trend in India's GDP growth

(Source: RBI, MOSPI)



Industry overview

Global crop protection chemical industry

In CY2022, the global crop protection chemical market was worth USD 88 billion. The market is expected to reach USD 116.5 billion by CY2028, with a 4.28% CAGR from CY2023 to CY2028. Crop protection products are used to prevent pest and disease-caused crop output losses and keep crops healthy. These can be made using both synthetic and biological compounds and are primarily classified as insecticides, fungicides and herbicides. Currently, a variety of pesticides are available to protect crops from bacteria, rodents, insects and birds. As the world's population is expanding, the application of crop protection chemicals is on the increase to safeguard crops against pests and diseases while increasing agricultural yields.

With the rapid adoption of digital technologies in agriculture, such as precision farming, precision agriculture and precision pesticide application, the market is likely to expand. The Asia-Pacific region has a growing population and increasing food consumption levels as a consequence. These factors are favourable for positioning the region as a leader in this segment.

India's agrochemical industry

India's agrochemicals market is projected to grow at an 8% CAGR and reach USD 4.7 billion by FY25. India is a leading producer of agrochemicals and is considered the ideal location for export-oriented agrochemical production. To develop better farming solutions that are more efficient and comply with international standards, the crop protection industry in India is increasingly leveraging its R&D resources. The Government has published

an SOP (Standard Operating Procedure) for the use of drones to spray pesticides, favouring the agricultural industry. Drone-assisted agrochemical application is a fantastic step towards ensuring greater precision in Indian agriculture. There is a growing demand for agrochemical R&D investment in the chemical and biological sectors, as it will not only strengthen the crop protection and nutrition sectors in India but also provide a way to advance towards sustainable agriculture.

The Indian government recognises the agrochemical sector as one of its top 12 industries that would help it achieve global leadership and grow at 8% to 10% through FY2025, according to the Federation of Indian Chambers of Commerce and Industry. As long as exports remain strong and domestic demand is stable, India's agrochemicals sector is expected to continue its strong double-digit growth of 15–17% in FY23, following an increase of 23% in the previous fiscal.



⁵<https://www.imarcgroup.com/crop-protection-chemicals-market>

⁶<https://www.investindia.gov.in/sector/chemicals>

⁷ <https://www.agribusinessglobal.com/agrochemicals/why-is-indias-agrochemical-market-growing-so-fast/>

⁴<https://www.crisilratings.com/en/home/newsroom/press-releases/2022/01/agrochem-players-to-log-double-digit-growth-next-fiscal-too.html>



Government initiatives

- Based on the Union Budget for 2023, over the next three years, the Government will assist 1 crore (10 million) farmers switch to natural (or chemically-balanced) farming. The PM Program for Restoration, Awareness, Nutrition and Improvement of Mother Earth (PM PRANAM) will be implemented to encourage states and union territories to promote alternative fertilisers and the balanced use of chemical fertilisers.
- Kisan drones for crop assessment, agrochemical spraying and land record digitisation were initiated by the Government. The establishment of the digital public infrastructure supported Indian agriculture and boosted the digital ecosystem for agriculture.
- To increase the production of different chemicals, such as agrochemicals, petroleum and petrochemical goods, the Indian government has established a number of Petroleum, Chemical and Petrochemical Investment Regions (PCPIR) throughout the nation. These PCPIRs are equipped with all necessary facilities and enjoy policy support.

Opportunities

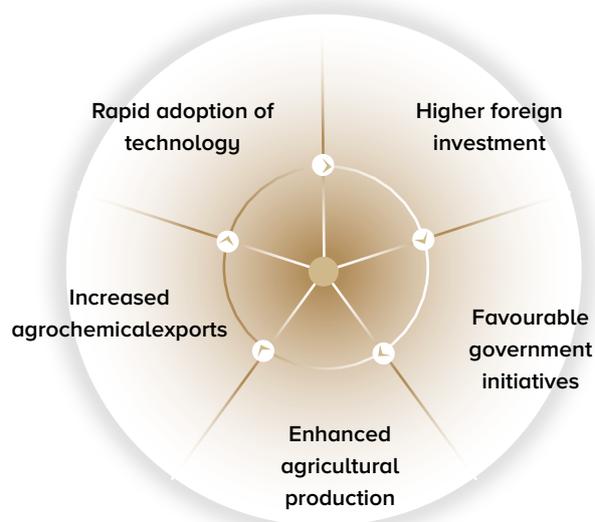
Increased agrochemical exports - India exported agrochemicals worth about ₹ 24,045 billion in FY22, while its total export value was ₹ 52.34 lakh billion. The domestic agrochemicals industry makes a small contribution, but it has the potential to do more if government policies and assistance from the private sector enable India to become a global hub for agrochemical production on a global scale.

Enhanced agricultural production – India has a limited amount of agricultural land and it has been shrinking over time. By using fertilisers, irrigation facilities and seed varieties with early maturities and high yields, crop productivity can be improved. Agrochemical application boosts output while reducing damage from pests.

Favourable government initiatives - As part of its regulatory framework for agrochemicals in the country, the Indian government is implementing guidelines, standards and laws for the use of drones to apply pesticides. Additionally, the Government has begun accelerating the registration of novel crop protection molecules in the nation and is creating the necessary frameworks.

Higher foreign investment – The agrochemical industry has seen a consistent inflow of foreign capital, largely as a result of measures taken to promote the expansion of agriculture. Apart from assisting regional and small enterprises, it has given Indian businesses access to superior manufacturing facilities.

Rapid adoption of technology - Higher-quality products can now be produced and trade channels can now be more diverse thanks to the employment of the latest technology, a broader client base and the adoption of digital information dissemination techniques. It has also contributed to raising awareness of the products' more recent uses.



Challenges

Increased reliance on generic molecules - Agrochemical manufacturers are introducing new and improved molecules, but the adoption is slow and requires substantial marketing and promotion expenditures. The high R&D expenses related to agrochemicals and a difficult registration process have both slowed down businesses' introduction of new compounds to the market.

Inadequate awareness and non-scientific application- Retailers of agricultural inputs and other farmers may have an influence on a farmer's choice to purchase seeds, fertilisers, or agrochemicals. In many cases, this leads to improper application, underuse, overuse, or non-scientific usage. As a result, agricultural input products perform worse, and yields are lower than expected.

Minimal use of agrochemicals - While nations like Brazil, China and the US use agrochemicals 10–20 times more than India, India uses only 0.31 kg/ha of them. Inappropriate application, lower usage in less commercialised and subsistence crops as well as a lack of funding for agrochemical investments are some of the major concerns.

Rising demand for eco-friendly pesticides - Lack of resources and technology to meet the rising demand for eco-friendly pesticides would pose a challenge for the industry. R&D expenses for new product development would be high.

Outlook

The Indian government recognizes its agrochemical industry as one of its top 12 industries to achieve global leadership growing at 8% to 10% through 2025, according to the Federation of Indian Chambers of Commerce and Industry. Products worth \$4.2 billion are expected to go off patent by 2023, and that will present opportunity for manufacturing a good number of active ingredients as generic molecules for some of the R&D based agrochemical manufacturers in the country.

According to the report published by McKinsey & Co in March 23, the Agrochemicals in India is currently a USD 5.5 billion market, growing at a CAGR of 8.3 percent and enjoys cost leadership globally. By 2040, it is expected to account for almost 40 percent of India's overall chemicals exports and nearly 13 percent of the global agrochemical market.

⁹https://www.en.krishakjagat.org/wp-content/uploads/2022/06/Krishak-Jagat-copy_Policy_Landscape_flourishing_agrochemicals.pdf



Risk management

Type of Risks	Description	Mitigation
Operational Risk Market risk	The fierce competition in the agrochemical industry may pose a threat to business growth.	The Company closely observes the strengths and weaknesses of its competitors as well as the dynamics of the market. Effective measures are continuously taken to lower the cost of production, including budgetary controls and other management control systems.
Financial Risk Credit Risk	Risks in the settlement of dues by customers can have an impact on the Company's financial performance.	The Company has systems in place to assess the creditworthiness of customers. Realization of receivables is closely monitored and adequate Provision for bad and doubtful debts is made in the books of accounts on a realistic basis. A proper recovery management and follow-up mechanism are in place.
Foreign Exchange Risk	Foreign currency exposure for sales in other countries and purchases from overseas suppliers in US dollars expose the Company to significant risks due to currency fluctuations in global foreign exchange markets, which can affect profitability.	The objective of the Company's risk management policy is to reduce risks from adverse currency fluctuations by managing the uncertainty and volatility of foreign exchange through a Board approved forex hedging policy.
Talent acquisition and retention Risk	To retain high-performing employees and implement business strategies effectively, talent retention and engagement are essential.	The Company has an appropriate recruitment strategy in place for employing people at all levels of the organization. It ensures that the right people are placed in the right positions to achieve organisational excellence while also ensuring career growth for the personnel
Environmental Risk	There is a risk of Pollutants being released into the environment, endangering the ecosystem and harming the Company's reputation.	The Company operates its own Effluent Treatment Plant comprising agitated thin film dryers, Multiple Effect Evaporators, Scrubbers etc besides a Sewage Treatment Plant and ensures zero liquid discharge. Green belt is developed all around the manufacturing plant to strictly comply with regulatory norms. Solid effluent is sent to government approved agencies for incineration.

¹⁰https://www.en.krishakjagat.org/wp-content/uploads/2022/06/Krishak-Jagat-copy_Policy_landscape_flourishing_agrochemicals.pdf



Company overview

Bhagiradha Chemicals and Industries Limited (BCIL) is a professionally run public limited company headquartered in Hyderabad, India. The Company focuses on producing premium pesticides, including various technical-grade insecticides, herbicides and fungicides at a capacity of 3250 tonnes per year. Beginning modestly in Cheruvukommupalem village, in Prakasam District of Andhra Pradesh three decades back, company has grown from strength to strength providing direct and stable employment to about 700 personnel. During the year, the company crossed ₹ 500 Cr sales turnover, about 10 % of which are exports. The noble objectives of its founder, late Sri S Koteswara Rao, for building a sustainable organization that caters for the community and customers and creates value for its stakeholders, are being pursued by his successors in all earnestness.

To meet the rising demands for providing quality products, the Company's R&D team is consistently working to build a robust scientific base. To make it easier for these products to be registered in the countries where they will be imported, the Company has also produced authentic chemical and toxicological data for some of its flagship products.

3250

tons capacity per annum

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

Protecting the environment as well as ensuring employee safety and health are all priorities of the Company. For the waste water treatment process, the Company implemented a Zero Liquid Discharge (ZLD) system. Treatment facilities include strippers, multiple-effect evaporators, agitated thin film dryers, biological electro-thermal purification system and a RO system. For cooling tower makeup, treated wastewater is used. A fire hydrant system that covers the entire plant is part of the Company's safety infrastructure. Efficient fire detection system with modern apparatus is in place. To enhance process safety, nitrogen blanketing is provided to create protective atmosphere and reduce hazards. Periodical training is imparted to employees and regular safety audits and drills are conducted. On-site occupational health centre (OHC) is available and staffed round-the-clock. The centre has the required medical infrastructure and qualified medical professionals. Both medical and occupational health checks are conducted on a regular basis.

Research and development

The R&D unit situated within the factory premises is one of the key strengths of the company and serves as an enabler of the Company's business model. It is well equipped with contemporary instruments and machines. A highly talented and experienced R&D team committed to developing non-infringing and commercially viable processes up to pilot scale functions under the guidance of the Managing Director and assists the production division in case of glitches during commercial production. The processes for all those products that have been commercially produced so far by the company were developed in-house. Developing new processes apart, the R&D team constantly works on process modification to achieve cost optimization for the existing products which is vital to cope with competition.



CAPEX

During the year under review, the Company has allocated CAPEX on various technologies which resulted in cost optimisation, process improvement and closed handling. Process optimization was done in one of the key intermediates, resulting in increase of product yield and reduction of waste. Powder handling systems, sample valves were provided for closed handling to improve the safety of reactor operations. Nitrogen blanketing was provided for storage tanks and reactors handling flammable material to create an inert atmosphere.

Human resources

The employee life cycle has been recognised by the Company as part of efficient human resource management. The Company is especially proud of the commitment, talent and dedication shown by its people in all business-related endeavours. The Company believes in recognizing and rewarding talent through an efficient appraisal system put in place. In line with the policies of the government, majority of employees are drawn from local areas only.

Financial overview

Particulars	Standalone		Consolidated	
	FY 2022-23	FY2021-22	FY 2022-23	FY2021-22
Total Income (₹ in Lakhs)	50,393.50	43,653.81	50,335.03	43,651.68
EBITDA (₹ in Lakhs)	7,968.73	6,919.00	7,858.42	6,912.65
PBT (₹ in Lakhs)	6,504.15	5,146.31	6,378.31	5,130.83
PAT (₹ in Lakhs)	4,640.99	3,590.26	4,515.16	3,574.78
PAT Margin (%)	9.21%	8.22%	8.97%	8.19%
Total Assets (₹ in Lakhs)	44,635.45	34,200.22	44,691.41	34,202.30
EPS (in ₹)	45.58	43.21	44.35	43.02
Current Ratio (in times)	2.30	1.31	2.27	1.31
Debt Equity Ratio (in times)	0.16	0.42	0.16	0.42
Return on Net Worth (in %)	14.74%	18.88%	14.41%	18.83%
Interest Coverage Ratio (in times)	14.06	6.67	13.77	6.65

Company outlook

Having crossed a sales turnover of ₹ 500 Cr during the year under review, the company is aspiring to enter the top rung in the agrochemical manufacturing space of the country with suitable plans. It is focusing on new registrations in the domestic as well as overseas arenas for certain existing and products in its pipeline. These initiatives are expected to translate into accelerated revenue streams in the coming years. The construction of its subsidiary's manufacturing plant in Kadechur, Yadgir District, Karnataka is progressing after obtaining the necessary regulatory clearances. Early commercial launch of its operations holds the key to Bhagiradha's growth plans.

Raw material prices for agrochemicals have been in a downward trajectory for the last few months, led primarily by adverse weather conditions in certain key geographies like the US and Europe - resulting in lower demand and also due to better availability of raw materials, with China opening up after COVID-19 related lockdowns.

In the current context, it is to be noted that the agrochemical industry is facing a pile-up of high-cost inventory due to oversupply situations in the marketplace. This will certainly put pressure on the revenue as well as margins on most of the companies including ours. But we are confident that we will navigate these challenges and remain committed to our long-term growth strategy.





Notice of the 30th Annual General Meeting

To
The Members of

Bhagiradha Chemicals and Industries Limited

Notice is hereby given that the thirtieth (30th) Annual General Meeting (AGM) of the members of Bhagiradha Chemicals and Industries Limited ("the Company") will be held on Friday, August 04, 2023 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, 2023, 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, 2023 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, 2023, 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, 2023 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 (30%) i.e. ₹3/- (Rupees Three only) per equity share of face value of ₹10/- (Ten Rupees) each for the Financial Year ended March 31, 2023 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 30% i.e. ₹3/- (Rupees Three 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, 2023."

3. Re-appointment of Director Retiring by Rotation

To appoint a Director in place of Sri. Singavarapu Chandra Sekhar (DIN 00159543), who retires by rotation and being eligible, offers himself 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, Sri. Singavarapu Chandra Sekhar (DIN 00159543), who retires by rotation at this meeting and being eligible, offers himself for re-appointment, be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

4. To ratify the remuneration of Cost Auditors for the financial year 2023-24:

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 (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, 2024, 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."

5. To increase the overall Borrowing Limits of the Company.

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

"RESOLVED THAT in supersession of the Special Resolution passed by the shareholders at the 27th Annual General Meeting of the company held on Friday, September 04, 2020, pursuant to Section 180(1)(c) of the Companies Act, 2013 read with the rules made thereunder and all other applicable

provisions if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and provisions of Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (the "Board") to borrow such moneys or sum of moneys, from time to time, at its discretion, with or without security and upon such terms and conditions as the Board may think fit, for the purpose of business of the Company, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the company's bankers in the ordinary course of business), may exceed aggregate of the paid-up share capital, free reserves and securities premium, provided that the total amount borrowed and outstanding at any point of time shall not exceed a sum equivalent to ₹ 500 crores (Rupees Five Hundred Crores)

"RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded, in terms of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company to create charge / provide security for the sum borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as the Board in its absolute discretion thinks fit, on the assets of the Company as may be agreed to between the Company and the lenders so as to secure the borrowings by the Company, together with interest costs, charges, expenses and all other monies payable by the Company to the concerned Lenders / Institutions, under the respective arrangements entered into / to be entered by the Company and/or Board."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to the Committee of Directors and to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution

6. To approve the re-appointment of Sri. Krishna Rao S V Gadepalli (DIN: 08199210), as an Independent Director of the Company for a second term of five consecutive years and in this connection, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder read with Schedule IV to the Companies Act, 2013 ("Act") (as amended from time to time), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company ("Board"), Sri. Krishna Rao S V Gadepalli (DIN:08199210) who was appointed as an Independent Director of the Company for a term of 5 years up to November 12, 2023, by the Members of the Company at the 26th Annual General Meeting held on Friday, August 09, 2019 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of the Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment be and is hereby re-appointed as a Non-Executive Independent Director of the Company, for a second term of five consecutive years effective immediately after expiry of his current term on November 12, 2023, i.e. commencing from November 13, 2023, till November 12, 2028, who shall not be liable to retire by rotation and who shall be entitled to receive sitting fees for attending the meetings of the Board or any committees thereof as detailed in the letter of appointment to be issued to Sri. Krishna Rao S V Gadepalli, and as may be determined by the Board from time to time.

"RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

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 13, 2023

Place: Hyderabad

Sharanya. R

Company Secretary & Compliance Officer

M. No: ACS-63438

**Notes**

1. Pursuant to General Circular No. 10/2022 dated December 28, 2022, General Circular No. 20/2020 dated May 05, 2020 and General Circular No. 02/2022 dated May 05, 2022 issued by Ministry of Corporate Affairs ('MCA Circular') and all other circulars issued by MCA on account of outbreak of Covid- 19 pandemic and in compliance with the provisions of the Companies Act, 2013, read with the rules made thereunder and SEBI Listing Regulations, the 30th 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 30th Annual Report for FY 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any member has requested for a physical copy of the same. Members may note that the Notice and 30th Annual Report for FY 2022- 23 will also be available on websites of the Company <https://www.bhagirad.com/> and websites of the stock exchanges i.e BSE Limited (www.bseindia.com), National Stock Exchange of India Limited (www.nseindia.com) and on the website of Company's Registrar & Transfer Agent.
3. The Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') in respect of Item No. 4, 5, 6, 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, Sri. Singavarapu Chandra Sekhar (DIN: 00159543) Executive Director, is liable to retire by rotation at this Meeting and offers himself for reappointment.

The above proposed reappointment by rotation shall not alter any terms and conditions with regard to tenure of appointment, remuneration and such other terms and conditions relating to appointment of Sri. Singavarapu Chandra Sekhar (DIN: 00159543) as an Executive Director (Managing Director) of the company for a period of five years (w.e.f. June 01, 2020 to May 31, 2025) as approved by the Members of the Company at the 27th Annual General Meeting (AGM) held on Friday, September 04, 2020 including the revision in remuneration for the period from 01.06.2022 to 31.05.2024 as approved by the members of the company at the 29th Annual General Meeting (AGM) held on Friday, August 12, 2022
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 30th AGM of the Company to be held on August 04, 2023 are provided in Annexure-1 and 2 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 e- voting at the time of AGM 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 that will be 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 Friday, July 28, 2023 to Friday, August 04, 2023 (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 of IEPF i.e 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 30th 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 30% i.e. ₹3/- per Equity

Share of face value of ₹ 10/- each for the Financial Year ended on March 31, 2023, 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 Agents
- 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 any financial year 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 below table with the Company / or RTA i.e XL Softech Systems Limited

Sl No	Particulars	Withholding tax rate	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	Withholding tax rate	Documents required (if any)
1.	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	FPI registration number / certificate
2.	Other Non-resident members	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	<p>To avail beneficial rate of tax treaty following tax documents would be required:</p> <ol style="list-style-type: none"> 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 <p>(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)</p>
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 (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 and xlfield@gmail.com on or before July 25, 2023 to enable the Company and RTA to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/deduction received post July 25, 2023 shall not be considered.
 - iii. Application of TDS rate is subject to necessary verification by the Company/RTA 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.
- 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.
 - iv) 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.

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 RTA i.e 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.
- 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 (f) 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, bank account details in your demat account, as per the process advised by your DP.	

Members may also note that the 30th Annual Report for the financial year 2022-23 will 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.

Instructions for Members for attending the AGM Through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name
2. You are requested to click on VC/OAVM link placed under Join 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 Thursday, July 27, 2023 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. Thursday, July 27, 2023, 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.
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. 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, General Circular No. 10/2022 dated December 28, 2022, General Circular No. 02/2022 dated May 05, 2022 and 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 ensuing 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. 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.
5. 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.
6. 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.
7. AGM has been 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.

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

The remote e-voting period begins on Monday, July 31, 2023 at 09:00 A.M. and ends on Thursday, August 03, 2023 at 05:00 P.M. 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. Thursday, July 27, 2023, 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 Thursday, July 27, 2023.

**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.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.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 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. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at \ Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
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Type of shareholders	Login Method
	<p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
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 022 - 4886 7000 and 022 - 2499 7000
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 toll free no. 1800 22 55 33

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 :

Login type	Helpdesk details
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.nsdl.com.

b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.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 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 uravifcs@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other

than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.

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.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to (Swapneel Puppala) at 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 Special Business mentioned in Item No. 4,5,6 of the Notice of 30th Annual General Meeting:

Item No. 4.

To ratify the remuneration of Cost Auditors for the financial year 2023-24:

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on May 13, 2023 has approved the appointment of M/s. Sagar & Associates, Cost accountants (FRN: 000118), Hyderabad, to conduct the Cost audit of the Company for the Financial Year 2023-24 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 2023-24 as approved by the Board of Directors on the recommendation of the Audit Committee.

Accordingly, consent of the members is sought for item no. 4 of this notice by way of an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year 2023-24.

None of the Directors or the Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested financially or otherwise, in the resolution as set out in item no. 4 of this notice.

Item No. 5

To increase the overall Borrowing Limits of the Company

The members are informed that as per Section 180(1)(c) of the Companies Act, 2013 read with the rules made thereunder as amended from time to time, the Board of Directors of the Company shall, with the consent of the Company by passing a Special Resolution, borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business.

The members are informed that at the 27th Annual General Meeting of the company held on Friday, September 04, 2020, the members of the company authorised the Board to borrow including moneys already borrowed not exceeding ₹150 Crore (Rupees one hundred and fifty Crore Only) apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

The members are further informed that keeping in view the overall growth plan of the Company and also the Company's existing and future financial requirements to support its business operations, the Company needs additional working capital and deployment of resources on capital expenditure on strengthening/expanding capacity and/or maintenance etc. Accordingly, the company may require to borrow funds from time to time by way of inter alia working capital/loan/financial assistance from various bank(s)/ financial institution(s) and other lender(s). The borrowings of the Company, where necessary, would be secured by way of charge/mortgage/extension of mortgage on the Company's assets/movable/ immovable properties in favour of the eligible lenders/security holders.

Accordingly, consent of the members is sought for item no. 5 of this notice by way of a Special Resolution to borrow such moneys or sum of moneys, from time to time, at the discretion of the Board, with or without security and upon such terms and conditions as the Board may think fit, for the purpose of business of the Company, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the company's bankers in the ordinary course of business), may exceed aggregate of the paid-up share capital, free reserves and securities premium, provided that the total amount borrowed and outstanding at any point of time shall not exceed a sum equivalent to ₹ 500 crores (Rupees Five Hundred Crores) and to create charge / provide security for the sum borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as the Board in its absolute discretion thinks fit, on the assets of the Company as may be agreed to between the Company and the lenders so as to secure the borrowings by the Company, together with interest costs, charges, expenses and all other monies payable by the Company to the concerned Lenders / Institutions, under the respective arrangements entered into / to be entered by the Company and/or Board, pursuant to 180(1)(c) of the Companies Act, 2013 read with the rules thereunder as amended from time to time

None of the Directors or the Key Managerial Personnel of the Company and/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

To approve the re-appointment of Sri. Krishna Rao S V Gadepalli (DIN: 08199210), as an Independent Director of the Company for a second term of five consecutive years and in this connection, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution

The members are informed that Sri. Krishna Rao S V Gadepalli (DIN:08199210) was appointed as an Independent Director of the Company pursuant to Section 149 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, by the Members at the 26th Annual General Meeting held



on Friday, August 09, 2019 for a term of 5 consecutive years with effect from 13th November, 2018. In terms of his appointment as an Independent Director of the company, he is due for retirement on November 12, 2023.

The Nomination and Remuneration Committee, after evaluating his performance and considering his knowledge, experience, expertise and his contribution to the Board deliberations during his first term, had recommended to the Board his reappointment as a Non-Executive Independent Director of the Company for the second term of 5 consecutive years. The Board at its meeting held on May 13, 2023 has recommended the re-appointment of Sri. Krishna Rao S V Gadepalli (DIN:08199210) as a Non – Executive Independent Director of the company for second term of 5 consecutive years, effective immediately after expiry of his current term on November 12, 2023, i.e. commencing from November 13, 2023, till November 12, 2028, who shall not be liable to retire by rotation

Further, the Company has received from Sri. Krishna Rao S V Gadepalli (i) consent to act as a director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164 of the Act, and (iii) a declaration to the effect that he meets the

criteria of independence as provided under Section 149(6) of the Act. The Company has also received a notice in writing under Section 160 of the Act, proposing his candidature for the office of the Director of the Company. Hence, in the opinion of the Board, Sri. Krishna Rao S V Gadepalli fulfils all the conditions as specified in the Act, rules made thereunder and Listing Regulations for his re-appointment as an Independent Director of the Company.

A copy of the draft letter for the re-appointment of Sri. Krishna Rao S V Gadepalli setting out the terms and conditions is available for electronic inspection.

The details seeking re-appointment of Sri. Krishna Rao S V Gadepalli as a Non-Executive Independent Director of the Company at the 30th Annual General Meeting is provided in Annexure 2. – Information about Director.

Accordingly, consent of the members is sought for item no. 6 of this notice by way of a Special Resolution for re-appointment of Sri. Krishna Rao S V Gadepalli as a Non-Executive Independent Director of the Company.

Except Sri. Krishna Rao S V Gadepalli, 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.

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 13, 2023

Place: Hyderabad

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 Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2

Name of the Director	Sri. Singavarapu Chandra Sekhar						
Director Identification Number	00159543						
Date of Birth	19-12-1977						
Age	45 years						
Date of First Appointment	27-07-2010						
A brief resume of the director	Sri. Singavarapu Chandra Sekhar is a Post Graduate in Chemical Engineering, University of Illinois, Chicago						
Nature of expertise in specific functional areas	Sri. Singavarapu 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 as its Managing Director, 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. He is one of the Promoter Directors.						
Disclosure of relationships between directors inter-se, Relationship with Manager and other Key Managerial Personnel of the Company	Smt. S. Lalitha Sree, Non-Executive Director of the company is the Spouse of Sri. Singavarapu Chandra Sekhar. Sri. Singavarapu Chandra Sekhar, is not related to any Manager and other Key Managerial Personnel of the Company.						
Names of listed entities/other entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities /other entities from which the person has resigned in the past three years	<table border="1"><thead><tr><th colspan="2">Directorship in other entities</th></tr></thead><tbody><tr><td>Bheema Fine Chemicals Private Limited (Wholly owned subsidiary of the company) (CIN: U24299TG2020PTC142050)</td><td>Director</td></tr><tr><td>Advanced Transformation Facility Private Limited (CIN: U24230TG2020PTC143663)</td><td>Director</td></tr></tbody></table> <p>*Sri. Singavarapu Chandra Sekhar is not a Director of any other listed entity except in the company as on 31/03/2023</p>	Directorship in other entities		Bheema Fine Chemicals Private Limited (Wholly owned subsidiary of the company) (CIN: U24299TG2020PTC142050)	Director	Advanced Transformation Facility Private Limited (CIN: U24230TG2020PTC143663)	Director
Directorship in other entities							
Bheema Fine Chemicals Private Limited (Wholly owned subsidiary of the company) (CIN: U24299TG2020PTC142050)	Director						
Advanced Transformation Facility Private Limited (CIN: U24230TG2020PTC143663)	Director						
shareholding of non-executive directors in the listed entity, including shareholding as a beneficial owner	Smt. S. Lalitha Sree, Non-Executive Director holds 76,470 Equity Shares as on 31.03.2023						
Shareholding in the Company	Sri. Singavarapu Chandra Sekhar holds 15,90,194 Equity Shares as on 31.03.2023						
Number of Meetings of the Board attended during the year	5 No. of Board Meetings attended out of 5 No. of Board Meetings held during the year						



Name of the Director	Sri. Singavarapu Chandra Sekhar	
Remuneration Proposed to be paid	Gross Salary	₹ 144 Lakhs (i.e ₹ 12 Lakh / Per month)
	Provident Fund	₹ 10.37 Lakhs
	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.

** Directorship includes Directorship of other Indian Companies

** 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 financial year 2022-23 have also 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,
Road No.2, Banjara Hills,
Hyderabad - 500 034,
CIN: L24219TG1993PLC015963
Ph: 040 42221212 / 2323
E-mail: info@bhagirad.com

Date: May 13, 2023
Place: Hyderabad

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



ANNEXURE-2

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

Name of the Director	Sri. Krishna Rao S V Gadepalli														
Director Identification Number	08199210														
Date of Birth	02.11.1957														
Age	65 years														
Date of First Appointment	13.11.2018														
A brief resume of the director	Sri. Krishna Rao S V Gadepalli is a B.Com, CAIIB-I														
Nature of expertise in specific functional areas	Sri. Krishna Rao S V Gadepalli, retired as a General Manager of a Nationalized bank and has got over 30 years of experience in Corporate Banking, Industrial Finance and Commercial Banking. He possesses vast knowledge in Finance and HR related matters.														
Disclosure of relationships between directors inter-se, Relationship with Manager and other Key Managerial Personnel of the Company	Sri. Krishna Rao S V Gadepalli is not related to any Directors, Manager and other Key Managerial Personnel of the Company														
Names of listed entities/other entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities /other entities from which the person has resigned in the past three years	<table border="1"><thead><tr><th colspan="2">Directorship in other entities</th></tr></thead><tbody><tr><td>Transit Intelligence LLP</td><td>Designated Partner</td></tr></tbody></table> <p>*Sri. Krishna Rao S V Gadepalli is not a Director of any other listed entity as on 31/03/2023</p> <table border="1"><thead><tr><th colspan="2">Committee membership/chairmanship Bhagiradha Chemicals and Industries Limited</th></tr></thead><tbody><tr><td>Audit Committee</td><td>Member</td></tr><tr><td>Stakeholders Relationship Committee</td><td>Chairman</td></tr><tr><td>Nomination & Remuneration Committee</td><td>Member</td></tr><tr><td>Risk Management Committee</td><td>Member</td></tr></tbody></table> <p>*Sri Krishna Rao S V Gadepalli is not a Chairman/Member of the Committees of the Boards of other companies as on 31/03/2023</p>	Directorship in other entities		Transit Intelligence LLP	Designated Partner	Committee membership/chairmanship Bhagiradha Chemicals and Industries Limited		Audit Committee	Member	Stakeholders Relationship Committee	Chairman	Nomination & Remuneration Committee	Member	Risk Management Committee	Member
Directorship in other entities															
Transit Intelligence LLP	Designated Partner														
Committee membership/chairmanship Bhagiradha Chemicals and Industries Limited															
Audit Committee	Member														
Stakeholders Relationship Committee	Chairman														
Nomination & Remuneration Committee	Member														
Risk Management Committee	Member														
shareholding of non-executive directors in the listed entity, including shareholding as a beneficial owner	Not Applicable														
Shareholding in the Company	NIL														
Number of Meetings of the Board attended during the year	5 No. of Board Meetings attended out of 5 No. of Board Meetings held during the year														
Remuneration Proposed to be paid	Sri. Krishna Rao S V Gadepalli shall be paid Sitting Fee for attending Board and Committee meetings														
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Sri Krishna Rao S V Gadepalli has been an Independent Director on the Board of the Company since 13 th November 2018 and he has the required skills for handling the role of an Independent Director.														

**Directorship includes Directorship of other Indian Companies

**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 financial year 2022-23 have also 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
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Hyderabad - 500 034,
CIN: L24219TG1993PLC015963
Ph: 040 42221212 / 2323
E-mail: info@bhagirad.com

Date: May 13, 2023
Place: Hyderabad

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

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirtieth (30th) Annual Report of your Company together with the Audited Financial Statements for the year ended 31st March, 2023.

Financial Highlights

The Financial Statements for the year ended March 31, 2023, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standard (hereinafter referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Necessary disclosures regarding Ind-AS reporting have been made under the Notes to Financial Statements. The Company's performance during the Financial Year under review as compared to the previous Financial Year is summarized below:

Financial Results - Standalone

Particulars	₹ in Lakhs)	
	Year ended 31.03.2023	Year ended 31.03.2022
Net Sales	50,209.13	43,566.74
Other income	184.38	87.07
Total Income	50,393.51	43,653.81
PBDIT	7,968.73	6,919.00
Depreciation	(966.63)	(864.89)
Interest	(497.95)	(907.80)
Profit Before Exceptional Items and Tax	6,504.15	5,146.31
Exceptional Items	-	-
Profit after Exceptional Items and Before Tax	6,504.15	5,146.31
Provision for tax (Incl. deferred tax)	(1,863.15)	(1,556.06)
Profit after tax	4,641.00	3,590.26
Earnings per share (EPS)	45.58	43.21
Diluted (EPS)	45.58	43.21

Performance Review and State of Affairs:

We have been able to achieve yet another year of impressive business growth and profitability. The company has been able to conduct its operations with consistency and resilience, ably handling the unprecedented times and quickly responding to the emerging opportunities

The Company's performance during the Financial Year 2022-23 on a standalone basis improved substantially as compared to the previous financial year 2021-22. The revenue from operations for the FY 2022-23 increased to ₹ 50209.13 lakhs as against revenue from operations of ₹ 43566.74 lakhs in FY 2021-22. The PAT attributable to shareholders for FY 2022-23 was ₹ 4641.00 lakhs as compared to the previous year's PAT of ₹3590.26 lakhs. The Profit before Tax was ₹ 6504.15 lakhs as against the previous year's PBT of ₹5146.31 lakhs. The Earnings per Share stood at

₹ 45.58 for the year under review as against ₹ 43.21 per share of the previous year.

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 13th May, 2023, recommended a final dividend for the year ended March 31, 2023 of ₹ 3/- per equity share of face value of ₹ 10 each (i.e. 30%) and the same shall be paid subject to approval of the shareholders at the ensuing 30th Annual General Meeting, making a total dividend of ₹4/- @ 40% per equity share for the financial year ended March 31, 2023, including an interim dividend of ₹ 1/- @ 10% per equity share declared earlier during the Financial Year 2022-23. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source as per norms.

Details of Interim Dividend Paid during the year:

Particulars	Approval Date	Payment Date	Dividend per equity share
1 st Interim Dividend for FY 2022-23	04/11/2022	25/11/2022	₹ 1/- @ 10%

The Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 28, 2023 to Friday, August 04, 2023 (both days inclusive) for ascertainment of shareholders eligible to receive dividend for the financial year ended March 31, 2023.

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 the same is hosted on the website of the Company at <https://www.bhagirad.com/reports/policy/Dividend%20Distribution%20PolicyMay21.pdf>

Transfer of Un-Claimed Dividend/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 31.03.2023

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2023 (In ₹.)	Due Date for transfer to IEPF
2018-19	09-08-2019	62246.00	13-09-2026
2021-22 (interim dividend)	30-10-2021	7961.80	30-11-2028
2021-22 (Final Dividend)	12-08-2022	6134.40	12-09-2029
2022-23 (interim dividend)	04-11-2022	8730.66	04-12-2029

• **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 ₹83,627/- (Rupees Eighty Three Thousand Six Hundred and Twenty Seven only) for the year 2014-2015, was transferred to the Investor Education and Protection Fund during the financial year 2022-23.

• **Transfer of shares to IEPF**

In compliance with the provisions of Section 124 of the Companies Act, 2013, the Company has transferred 205 no of equity shares belonging to 6 members of the company to Investor Education and Protection Fund Authority (IEPF) 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.

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 2022-23, after all appropriation and adjustments stood at ₹30440.28 lakhs.

Share capital

During the year under review, there was no change in the Authorized share capital of the company which stood at

₹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.

However, during the year under review the 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 during the year.

Apart from the above, the company has not issued any further shares in the form of equity during the financial year ended on 31.03.2023.

The Company has paid listing fee for the financial year 2023-24, to BSE Limited and National Stock Exchange of India Limited (NSE) where its shares are listed.

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, 2023.

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 2023 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 financial position of the company, which occurred after the end of the financial year i.e., March 31, 2023.

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 31.03.2023 is as under:

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

*The term of Sri Ketan Chamanlal Budh as a Whole Time Director of the company concluded on 13.05.2022 and he ceased to be a director on the Board of the Company with effect from the close of office hours of May 13, 2022.

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.

Change in Directors:

During the year under review, the term of Sri. Ketan Chamanlal Budh, as a whole time director of the company concluded on 13.05.2022 and he stood relieved from the post of Whole Time Director of the Company with effect from the close of office hours of May 13, 2022 and ceased to be the director on the Board of the Company.

Apart from the above, there was no change in the composition of Board of Directors of the company during the year under review.

Pursuant to Sections 152 of the Companies Act, 2013 and the Articles of Association of the Company, Sri. Singavarapu Chandra Sekhar (DIN No.: 00159543), Executive Director of the Company, retires by rotation and being eligible, offers himself for re-appointment. His appointment is placed for approval of the members and forms part of the notice of the 30th 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 30th AGM.

In order to comply with the provisions of section 152 (6) of the Companies Act, 2013 and rules applicable thereunder, Sri. Singavarapu Chandra Sekhar, Executive Director (Managing

Director) is liable to retire by rotation at this Annual General Meeting. The proposed re-appointment by rotation shall not alter any terms and conditions with regard to tenure of appointment, remuneration and such other terms and conditions relating to appointment of Sri. Singavarapu Chandra Sekhar (DIN No.: 00159543) as an Executive Director of the company for a period of five years (w.e.f. June 01, 2020 to May 31, 2025) as approved by the Members of the Company at the 27th Annual General Meeting (AGM) held on Friday, September 04, 2020 and the revised remuneration for a period from 01.06.2022 to 31.05.2024 as approved by the members of the company at the 29th Annual General Meeting (AGM) held on Friday, August 12, 2022.

Sri. Krishna Rao S V Gadepalli (DIN:08199210) was appointed as an Independent Director of the Company pursuant to Section 149 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, by the Members at the 26th Annual General Meeting held on Friday, August 09, 2019 for a term of 5 consecutive years with effect from 13th November, 2018. In terms of his appointment as an Independent Director of the company, he is due for retirement on November 12, 2023.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommended to the shareholders at the 30th Annual General Meeting by way of a Special Resolution the reappointment of Sri. Krishna Rao S V Gadepalli (DIN:08199210) as a Non-Executive Independent Director of the Company for the second term of 5 consecutive years, effective immediately after expiry of his current term on November 12, 2023, i.e. commencing from November 13, 2023, till November 12, 2028, who shall not be liable to retire by rotation

Key Managerial Personnel ('KMP'):

During the year under review, the Company is having the following Key Managerial Personnel:

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

*During the year under review, the term of Sri Ketan Chamanlal Budh as a Whole Time Director of the company concluded on 13.05.2022 and he ceased to be a director on the Board of the company with effect from the close of office hours of May 13, 2022.

Meetings of the Board

During the period under review, five meetings of the Board of Directors of the Company were held on 05-04-2022, 26-05-2022, 08-08-2022, 04-11-2022, 28-01-2023, 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, 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 26th May, 2022, 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, five committees constituted by the Board were functioning 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 Singavarapu Chandrasekhar (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. The Audit Committee Shall Review the quarterly/half yearly/ annual financial statements, related party transactions before submission to the Board for approval. It reviews 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 the remuneration, compensation paid to directors and key Managerial Personnel of the organisation The nomination and remuneration committee has framed the nomination and remuneration policy of the company.
3.	Corporate Social Responsibility Committee	Sri Sudhakar Kudva (C) Sri Singavarapu Chandrasekhar (M) Smt Singavarapu Lalitha Sree (M)	The CSR Committee of the Board reviews and monitors the CSR activities of the company. The CSR Committee formulated and recommended 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.
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 under review.
5.	Risk Management Committee	Sri Sudhakar Kudva (C) Sri. Krishna Rao S V Gadepalli (M) Smt. G Aruna (M)	Framing, implementing and monitoring the risk management framework of the Company; Identification, prioritization, mitigation and monitoring of the risk reported and recommend to the Board. Periodical review and assessing the quality, integrity and effectiveness of the risk management system of the company.

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 framed and approved by the Board 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	Web link
Whistle-blower Policy (Policy on vigil mechanism)	The Company has adopted the whistle blower mechanism for directors and employees to report concerns about unethical behaviour, 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.	
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.	
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	
Corporate Social Responsibility Policy	The policy outlines the Company's strategy to bring about a positive impact on Society through its CSR Initiatives 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 endeavours 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.bhagirad.com/corporate.html>

Besides the above, the Board has constituted Management Committee and Rights Issue Committee which are non statutory.



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 (CIN: U24299TG2020PTC142050).

During the year, the Board of Directors reviewed the affairs of the subsidiary. The subsidiary's agrochemical manufacturing plant at Kadechur Industrial Area, Yadgir District, Karnataka is under construction and is 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, 2023.

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.

Particulars	₹ in Lakhs	
	31/03/2023	
Total Income	-	-
Total Expenses	(67.37)	-
Profit/ (Loss) before tax	(67.37)	-
Tax expense Reversal of taxes of earlier years	-	-
Current tax expense	-	-
Deferred tax benefit	-	-
Profit/ (loss) for the year	(67.37)	-

Revision of Financial Statements

There was no revision of Financial Statements (Standalone & Consolidated) and Board Reports during the year under review.

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, 2023 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. A total of three-fourths of the Committee comprises 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

As per Section 139 of the Companies Act, 2013 ('the Act'), read with the Companies (Audit and Auditors) Rules, 2014, M/s. R. Kankaria & Uttam Singhi, Chartered Accountants (Firm Registration No. 000442S), Address: 6-3-1090/C-4, Raj Bhavan Road, Somajiguda, Hyderabad, 500 082, were appointed as the statutory auditors of the company at the 29th Annual General Meeting held on 12th August, 2022 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. Pursuant to amendments in Section 139 of the Companies Act, 2013, the requirements to place the matter relating to such appointment for ratification by members at every annual general meeting has been omitted with effect from 7th May, 2018. The Board of Directors is empowered to fix the remuneration of the Statutory Auditor on yearly basis.

The Statutory Audit Report for FY 2022-23 given by M/s. R. Kankaria & Uttam Singhi, Chartered Accountants (Firm Registration No. 000442S) on the financial statements of the Company for the Financial year ended March 31, 2023 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 at its meeting held on May 13, 2023 has appointed M/s. Sagar & Associates, Cost Accountants, Hyderabad (FRN: 000118) as cost auditors for the financial year 2023-24. A resolution seeking Members' ratification for the remuneration payable to the Cost Auditor is being placed for members' approval in this Annual General Meeting.

M/s. Sagar & Associates, Cost Accountants, Hyderabad have confirmed that their appointment is within limits defined under Section 139 of the Act and have also certified that they are free from any disqualifications specified under Section 141 of the Act. The Audit Committee has also received a certificate from the

Cost Auditor certifying their independence and arm's length relationship with the Company. Necessary resolution seeking Members' approval for ratification of remuneration payable to the Cost Auditor for the financial year 2023-24 is included in the Notice convening the 30th Annual General Meeting

Secretarial Auditors

Pursuant to Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board at its meeting held on May 13, 2023, 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, Practicing Company Secretaries, Vengala Rao Nagar, E-seva lane, S. R. Nagar, Hyderabad 500038 as the Secretarial Auditor of the Company for the Financial Year 2023-24 to undertake the secretarial audit for the financial year 2023-24.

As per Regulation 24A of SEBI (LODR) Regulations, 2015, the Secretarial Audit Report of the company issued by M/s RPR & Associates, Practicing Company Secretaries, Vengala Rao Nagar, E-seva lane, S. R. Nagar, Hyderabad 500038 for the FY 2022-23 does not contain any qualification, reservation or adverse remark or disclaimer. 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 2022-23 from Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practicing 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 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 the Board/Ministry of Corporate Affairs or any such statutory authority, from Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practicing Company Secretaries which is annexed as **Annexure-III (C)**.

As per Regulation 24A of SEBI (LODR) Regulations, 2015, the Secretarial Audit Report of Bheema Fine Chemicals Private Limited (CIN: U24299TG2020PTC142050), unlisted material subsidiary of the company for the Financial Year 2022- 23 issued by M/s RPR & Associates, Practicing Company Secretaries, Vengala Rao Nagar, E-seva lane, S. R. Nagar, Hyderabad 500038 is annexed herewith as **Annexure III (D)** to this Report. The Secretarial Audit Report does not contain any qualifications, reservation or adverse remark or disclaimer.

Internal Auditor:

The Board, at its meeting held on May 13, 2023, based on the recommendation of the Audit Committee, re-appointed CA

Sunesh Agarwal, Chartered accountant in practice, Membership No. 223768/ICAI to conduct the internal audit of the company for the financial year 2022-23.

Maintenance of Cost Records

In terms of the Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year. Accordingly, such accounts and records were made and maintained 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 need to be mentioned in this Report.

Credit Rating

CARE Rating has upgraded the credit rating to BBB + Stable for long term and CARE A2 for short term borrowings of the Company from banks during the year under review.

Corporate Social Responsibility (CSR)

The company's CSR activities focus on empowering and building sustainable communities. The prime objective of our Corporate Social Responsibility initiatives is to hasten social, economic and environmental progress. We remain focused on generating systematic and sustainable improvement for local communities surrounding our Factory Location. 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.

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.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Rules forms part of this Report.

Human Resources:

The Company regards human resources as a valuable asset and encourages a performance driven culture. Suitable training is imparted on various skill-sets to attract quality resources. Various initiatives were undertaken to enhance the competitive spirit and encourage bonding teamwork among the employees. During the year under review, the Company focused on digitising processes to ensure smooth functioning of its operations.



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, 2023.

Extract of the Annual Return

The Annual Return as on March 31, 2023 as required under Section 92(3) and Section 134(3) (a) of the Companies Act, 2013, shall be placed 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 for determining 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 and KMP. 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 Executive / Independent Directors and KMP 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 committees of the Board.

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 familiarize 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.

Upon appointment of an Independent Director, the director is informed about his role, function, duties and responsibilities expected as a Director of the Company. The Director is also explained in detail the compliances required from him under Companies Act, 2013 and the Listing Regulations. The newly appointed Directors are also informed about the Company's Vision, Core purpose, Core Values and Business operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the business strategies, management structure, management development, quarterly and financial results, budgets, review of Internal Audit, risk management framework, operations of subsidiary.

Number of Meetings of the Board and its Committees

The Board met Five (5) times during the Financial Year 2022-23. The details of the meetings of the Board and Committees along with its composition and respective terms of reference thereof are given in the Corporate Governance Report, which forms an integral part of this Annual Report.

Particulars of loans, guarantees and investments

During the year under review, the Company has extended unsecured loan of an amount of ₹ 3133 lakhs at an interest rate of 9.5% p.a to its wholly owned subsidiary Company namely, M/s. Bheema Fine Chemicals Private Limited. The said amount of loan has been repaid during the year (outstanding as on March 31, 2023 was ₹ Nil)

During the year under review, the company has made investment of an amount of ₹ 3300 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 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

The Company's internal control systems and internal audit are commensurate with the nature of business, applicable regulatory requirements and the size of its operations. The internal control systems provide assurance regarding the effectiveness and efficiency of operations, safeguarding of assets, reliability on financial controls and compliance with applicable laws. The Statutory and the Internal Auditors routinely conduct system checks and give their report after evaluation of the efficacy and adequacy of internal control systems including controls with respect to the financial statements, its compliance with operating systems, accounting procedures and policies in the Company. 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 suggests improvements if any for strengthening them.

Internal controls 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.

Risk Management

Risk Management forms an integral part of the company policy and is an ongoing process integrated with operations. The Company has a well-defined risk management framework in place which inter-alia includes identification of elements of risk, if any, which in the opinion of the Management and the Board may impact the performance outcome of the Company.

The Risk Management Committee is, inter-alia, authorised to monitor and review the risk assessment, mitigation and risk management plans for the Company from time to time and report the existence, adequacy and effectiveness of the above process to the Board on a periodic basis.

The Committee will periodically review and assess the quality, integrity and effectiveness of the risk management system. During the period under review, the Risk Management Committee reviewed and recommended to the Board 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, 2023.

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 and Sustainability Report

In compliance with Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, the Business Responsibility and Sustainability Report of your Company for FY 2022-23, describing the various initiatives undertaken from an environment, social and governance perspective during the year forms part of the Annual Report and is annexed herewith as **Annexure - VII**.

Corporate Governance

The report on corporate governance for the year ended 31st March, 2023 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 zero tolerance towards sexual harassment at its workplace and has adopted a Policy for Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") to provide a safe, secure and enabling environment, free from sexual harassment. The Policy is gender neutral. The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for 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.

During the financial year 2022-23, no cases in the nature of sexual harassment was reported in the Company.

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 and Exchange Board of India ("SEBI").

Secretarial Standards

During the year 2022-2023, the Company has complied with applicable Secretarial Standards issued by the Institute of the 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 2022-23, which forms part of this 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.

Prevention of Insider Trading

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

As per the provisions of Section 177(9) of the Companies Act, 2013, the Company is required to establish an effective Vigil Mechanism for directors and employees to report genuine concerns.

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, 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 the mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases.

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/>

Allotment of Equity shares by way of rights to the existing shareholders and to the employees under employee reservation portion

During the year, the Board of Directors of the company approved raising funds to meet working capital requirements, repayment of loans and general corporate purposes and issue and allotment of (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) through the same Issue under Employee Reservation Portion.

The Company has appointed Emkay Global Financial Services Limited as the Lead Manager, Link Intime India Private Limited as Registrar to the Issue and ICICI Bank Limited, as Banker to the Issue.

The issue was successfully subscribed.

The trading approvals dated May 13, 2022 were granted by National Stock Exchange of India Limited (NSE) and BSE Limited admitting the trading and listing of 20,95,783 Equity shares of face value ₹ 10 each for cash at a price of ₹ 400 per Equity Share (including a share premium of ₹ 390 per Equity Share) allotted from May 16, 2022.

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 is vital to our growth plans and the Company's R&D team is constantly focused on developing non-infringing and commercially viable processes. Few products for which processes have been developed shall be commercialized in due course of time.

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 aiming at reduction in cost of manufacturing and creation of intellectual property rights for the company.

Health, Safety and Environment protection

Your company considers employee health and safety to be of prime importance and encourages employees to maintain a high quality of life. Your Company had adopted a strong-willed and proactive approach to avoid hazards and to safeguard its employees. A holistic approach is taken at work place for all health-related issues to achieve the aim of reducing events to a bare minimum. Your Company focuses on pre-emptive steps to enhance working conditions and encourage their personnel to lead healthier lifestyles. Our focus on health and safety helped avoid any fatalities during FY 2022-23. 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.

Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion and Analysis as explained in the 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 for the co-operation received from employees at all levels.

Directors' 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 had been followed along with proper explanation relating to material departures

- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period
- 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.

Acknowledgement

Your Directors would like to express their gratitude to 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 and also to the government authorities for their valuable guidance from time to time. 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 13, 2023

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, 2022 to March 31, 2023
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	4200
6	Reserves & Surplus	(95.25)
7	Total Assets	4316.56
8	Total Liabilities	211.81
9	Investments	-
10	Turnover	-
11	Profit before taxation	(67.37)
12	Provision for taxation	-
13	Profit after taxation	(67.37)
14	Proposed Dividend	-
15	Extent of shareholding (in percentage)	100%

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

PART – B of the Annexure is not applicable as there are no associate companies/ joint ventures of the Company as on March 31, 2023

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

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E-mail: info@bhagirad.com

K S Raju
Chairman
DIN No: 00008177

A Arvind Kumar
Chief Executive Officer

B. 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 13, 2023

ANNEXURE-II

Form 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

- 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, 2023, which were not at arms' length basis
- Details of material contracts or arrangement or transactions at arm's length basis:

Particulars	Details		
Name (s) of the related party	Bheema Fine Chemicals Private Limited		
Nature of Relationship	Wholly owned subsidiary Company		
Nature of contracts/arrangements/ transaction	Loans given	Loans Repaid	Investment
Duration of the contracts/ arrangements/ transaction	During FY 2022-23	During FY 2022-23	During FY 2022-23
Salient terms of the contracts/ arrangements/ transactions including the value, if any (₹ in Lakhs)	3040	3197	3300
Justification for entering into such contracts or arrangements or transactions	Business Requirements on regular basis.		
Date of approval by the Board	May 26, 2022		
Amount paid as advances, if any	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 Limited

Registered Office:

8-2-269/S/3/A
Plot No. 3, Sagar Society,
Road No.2, Banjara Hills,
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K S Raju
Chairman
DIN No.: 00008177

S Chandra Sekhar
Managing Director
DIN No.: 00159543

Place: Hyderabad
Date: May 13, 2023



ANNEXURE-III (A)

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the Financial Year ended 31st March, 2023

[Pursuant to Section 204(l) 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, 2023, (i.e. from 1st April, 2022 to 31st March, 2023) 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, 2023 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 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) Auditing and 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.

Further, 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 through Rights Issue 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 10th May, 2022 through Rights Issue under Employees Reservation Portion.

After the said allotment of equity shares on rights basis, the authorised share capital of the Company is ₹ 15,00,00,000 divided into 1,50,00,000 equity shares of face value of ₹ 10 each and paid up share capital of the Company is ₹ 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

Place: Hyderabad
Date: 13th May, 2023
UDIN: F005783E000301287

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:13th May, 2023

Y Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360
Peer Review Certificate No. 1425/2021

ANNEXURE-III(B)

Annual Secretarial Compliance Report

of M/s. Bhagiradha Chemicals and Industries Limited for the year ended 31.03.2023

(Pursuant to circular dated 8th February, 2019 issued by SEBI and amendments thereof)

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by M/s. Bhagiradha Chemicals and Industries Limited (hereinafter referred as 'the listed entity'), having its Registered Office at 8-2-269/S/3/A, Plot No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad, Telangana – 500034, India. Secretarial Review 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 listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 ("the listed entity");
- (b) the filings/ submissions made by the listed entity to the stock exchanges;
- (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,

for the year ended 31st March, 2023 ("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 thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, 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; - No Buyback of securities during the review period.
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable during the review period.
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; - Not Applicable during the review period.
- (h) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;- Not Applicable during the review period.
- (i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
- (j) 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 thereunder and the additional affirmations as per the circulars issued by the stock exchanges on 16th March 2023 and subsequent amendments thereon;

and based on the above examination, we hereby report that, during the Review Period:

The compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD/114/2019 dated 18th October 2019 – Not applicable during review period;



We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

S. No.	Particulars	Compliance status (Yes/No/NA)	Observations/Remarks by PCS
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	-
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI 	Yes	-
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website 	Yes	-
4.	Disqualification of Director: None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	-
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	-
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	-
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	-
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	-
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	-
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	-
11.	Actions taken by SEBI or Stock Exchange(s), if any: No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	Yes	-
12.	Additional Non-compliances, if any: No additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	Yes	-

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sl. No.	Compliance Requirement (Regulations /circulars/ guidelines including specific clause)	Regulation /Circular No.	Deviations	Action Taken by	Type of Action Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
No deviations / non-compliance during the review period.										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports;

Sl. No.	Compliance Requirement (Regulations /circulars/ guidelines including specific clause)	Regulation /Circular No.	Deviations	Action Taken by	Type of Action Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
Not applicable during the review period.										

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **RPR & ASSOCIATES**
Company Secretaries

Place: Hyderabad
Date: 13th May, 2023

Y Ravi Prasada Reddy
Proprietor

UDIN: F005783E000301276

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, 2023, 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.

Sl 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

*The term of Sri Ketan Chamanlal Budh as a Whole Time Director of the company concluded on 13.05.2022 and he ceased to be a director on the Board of the Company with effect from the close of office hours of May 13, 2022.

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:13.05.2023

Y Ravi Prasada Reddy
Proprietor

UDIN: F005783E000301309

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

ANNEXURE-III (D)**Form No. MR-3****SECRETARIAL AUDIT REPORT****For the Financial Year ended March 31, 2023**

[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. BHEEMA FINE CHEMICALS PRIVATE LIMITED
(CIN: U24299TG2020PTC142050)
8-2-269/S/3/A, Plot No.3, Sagar Society,
Road No.2, Banjara Hills, Hyderabad-500034.

We have conducted the secretarial audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Bheema Fine Chemicals Private Limited** (hereinafter referred to 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, we hereby report that in our opinion, the Company has, during the audit period covering the "Financial Year" ended 31st March, 2023, (i.e. from 01.04.2022 to 31.03.2023) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2023 according to the provisions of:

- A. The Companies Act, 2013 (the "Act") and the rules made thereunder;
- B. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- C. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- D. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;
- E. The Company being unlisted, the Regulations and Guidelines prescribed under the Securities and Exchange Board of India (SEBI) are not applicable except The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (The Company being a material subsidiary of Bhagiradha Chemicals and Industries Limited (BCIL), certain employees of the Company have been categorised as Designated Persons and are covered by the Code of Conduct under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of (BCIL) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.
- F. The management has identified and confirmed the following laws as being specifically applicable to the Company. The commercial operations are yet commence.
 - a) Employees Compensation Act, 1923 & Rules.
 - b) Minimum Wages Act, 1948, M.W(C) Rules, 1950.
 - c) Child Labour (P&R) Act 1986 & Rules.
 - d) Payment of Wages Act 1936.
 - e) Indian Contract Act, 1872.

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

- (i) Revised 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 to the extent applicable, since the Company is a material subsidiary of a Listed Company.

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

The Company is a private Company and wholly-owned subsidiary of a listed Company.

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 industrial specific applicable laws.

We further report that:

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent 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 are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the financial year the Company had following events which had bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Standards etc.,

The Company has issued and allotted the following equity shares on rights issue basis to its Holding Company i.e. Bhagiradha Chemicals and Industries Limited during the year under review:

Type of shares	Allotment Date	Number of shares allotted
Equity Shares	September 28, 2022	1,10,00,000
Equity Shares	February 15, 2023	50,00,000
Equity Shares	March 04, 2023	1,00,00,000
Equity Shares	March 30, 2023	70,00,000

For **RPR & ASSOCIATES**
Company Secretaries

Place: Hyderabad
Date: 13th May, 2023

UDIN: F005783E000301331

Y Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360
Peer Review Certificate No. 1425/2021

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,
The Members,
M/s. BHEEMA FINE CHEMICALS PRIVATE LIMITED
8-2-269/S/3/A, Plot No.3, Sagar Society,
Road No.2, Banjara Hills, Hyderabad-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: 13th May, 2023

Y Ravi Prasada Reddy
Proprietor
FCS No.5783, C P No. 5360
Peer Review Certificate No. 1425/2021

**ANNEXURE-IV****The Annual Report on CSR Initiatives****1. Brief outline on CSR Policy of the Company**

The Company's approach towards CSR is based upon its core values, which include fostering inclusive growth by sharing some of the wealth we create with the society at large. CSR has always been an integral business process. It is a vital constituent of our Company's commitment to sustainability. The Company aims to be a good corporate citizen by subscribing to the principles of integrating its economic, environmental and social objectives, and effectively utilizing its own resources towards improving the quality of life and building capacities of the local communities, society at large and various Stakeholders.

The CSR Policy of your Company outlines the approach and direction given by the Board, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of CSR activities. Our CSR Activities focus on promoting Health care, Education, Sports, Rural Development. As per the provisions of the Act, based on the profitability for the year 2019-20, 2020-21 & 2021-22 the Company has come under the purview of CSR obligation. The CSR policy is available on the website of the Company at www.bhagirad.com

2. Composition of CSR Committee:

Sl. 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	3	3
2	Sri Chandra Sekhar Singavarapu	Member	3	3
3	Smt Lalitha Sree Singavarapu	Member	3	3

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: www.bhagirad.com

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

CSR Projects: www.bhagirad.com

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):

₹ 30,89,10,505 for FY 2019-20, FY 2020-21, & FY 2021-22

7	Particulars	Amount in ₹
	Two percent of average net profit of the company as per section 135(5) [A]	61,78,210
	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]	61,78,210

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

Total Amount Spent for the Financial Year 2022-23 (₹ 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
					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 State District	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. 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 State District	Amount spent for the project (₹)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing Agency Name CSR registration number
1.	Rural Development	Schedule VII(x)- Rural Development	Yes	Andhra Pradesh Cheruvukommupalem, Prakasam District	42,000	Yes	NA NA
2.	Development of school by providing infrastructure at Annojiguda, Ghatkesar Mandal, Medchal Malkajgiri District.	Schedule VII(ii) Promoting education	Yes	Telangana Malkajgiri District	25,00,000	No	Rashtriya Vidya Kendra CSR00004123
3.	Contribution to health care by making available safe drinking water (Creation and acquisition of Capital Asset (RO Plant) transferred in the name of SKR Trust)	Schedule VII(i) Promoting Healthcare	Yes	Andhra Pradesh Cheruvukommupalem, Prakasam District	36,69,250	Yes	NA NA



(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 (₹)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration number
4.	Gum boots and Fireman helmets provided to the Department of Disaster Response and Fire Services, Government of A.P	Schedule VII(xii)- Disaster Management	Yes	Andhra Pradesh	Ongole, Prakasam District	4,99,743	Yes	NA	NA
Total						67,10,993			

(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)**: ₹ 67,10,993/-

(g) Excess amount for set off, if any: NIL

Sl. No.	Particular	Amount (₹)
1.	Two percent of average net profit of the company as per section 135(5)	61,78,210
2.	Total amount spent for the Financial Year	67,10,993
3.	Excess amount spent for the financial year [(ii)-(i)]	5,32,783
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)]	5,32,783

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

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)
Sl. No.	Project ID	Name of the Project.	Financial Year in Which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year.	Status of the project - Completed /Ongoing.
					(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs.)	
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:

(asset-wise details).

- a) Date of creation or acquisition of the capital asset(s): December 29, 2020
- b) Amount of CSR spent for creation or acquisition of capital asset: ₹ 36,69,250/-
- c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:
Singavarapu Koteswara Rao Charitable Trust, D.No.37-1-59(2), Plot No 103, Masters Enclave, Near Sai Baba Temple, Santhapet, Ongole, Prakasam, Santhapeta (O) S.O, Andhra Pradesh, India, 523001
- d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):
RO Plant, Survey No. 146/5, Cheruvukommupalem Village, Ongole Mandal

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

B. Krishna Mohan Rao

Chief Financial Officer

Sudhakar Kudva

Chairman of CSR Committee
DIN No.: 02410695

S Chandra Sekhar

Managing Director
DIN No.: 00159543

Place: Hyderabad
Date: May 13, 2023



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 2022-23 as compared to FY 2021-22
Sri S. Chandra Sekhar	Managing Director	76.01	51.49
*Sri Ketan Chamanlal Budh	Whole time Director	11.40	-

**During the year under review, the term of Sri Ketan Chamanlal Budh as a Whole Time Director of the company concluded on 13.05.2022 and he ceased to be a director on the Board of the company with effect from the close of office hours of May 13, 2022

MRE: Median Remuneration of Employees

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

Name of the director	Category	Sitting Fee in FY 2022-23 (₹ in Lakhs)	% increase / (decrease) of Sitting fees in FY 2022-23 as compared to FY 2021-22
Sri. K.S Raju	Non-Executive Independent Chairman	1.35	N.A
Sri. G.S.V Krishna Rao	Non-Executive Independent Director	2.15	N.A
Dr. G. Aruna	Non-Executive Independent Director	1.55	N.A
Sri. Kishor Shah	Non-Executive Independent Director	0.95	N.A
Sri. Sudhakar Kudva	Non-Executive Independent Director	2.45	N.A
Smt. Lalitha Sree	Non-Executive Non- Independent Director	1.40	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	41.96	60.76
Sri B. Krishna Mohan Rao	Chief Financial Officer	16.06	47.36
Smt. Sharanya. R	Company Secretary	6.46	108.39

@ % calculated on annualized basis

- The percentage increase in the median remuneration of employees in the financial year: 6.82 %
- The number of permanent employees on the rolls of the Company as of March 31, 2023 was 467
- 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.



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

- i. Details of employees 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:

Sri. S. Chandra Sekhar, Managing Director

Sri. A. Arvind Kumar, Chief Executive Officer

- ii. Details of employee Employed of the 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.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in an annexure forming part of this report. Further, the report and the financial statements are being sent to the members excluding the aforesaid sub-annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary at cs@bhagirad.com

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

K S Raju

Chairman

DIN No.: 00008177

S Chandra Sekhar

Managing Director

DIN No.: 00159543

Place: Hyderabad

Date: May 13, 2023

**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	For the year ended 31.03.2023	For the year ended 31.03.2022
I. ENERGY CONSERVATION POWER & FUEL CONSUMPTION		
1. Electricity		
(i) purchased units (kwh)	2,85,00,368	2,72,36,412
Total amount (₹ In Lakhs) (including demand charges)	2257.99	1819.06
Unit Rate (₹)	7.92	6.68
(ii) Own generation (on diesel)		
a) Diesel consumption (Ltrs)	77,800	77,600
No of units	2,33,400	232,800
Units/ Liter of Diesel	3.000	3.000
Total amount (₹ In Lakhs)	77.47	74.58
unit cost (₹)	33.19	32.04
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)	15,883	14,697
Total Cost (₹ In Lakhs)	1673.37	1178.05
Average Rate/MT	10,536	8,016
3. Briquettes		
Quantity (MT)	800	632
Total Cost (₹ In Lakhs)	52.84	33.02
Average Rate/MT	6,605	5,228
4. Furnace oil		
Quantity (Ltrs)	Nil	Nil
Total cost (₹)	Nil	Nil
Average Rate/Ltr	Nil	Nil
II. CONSUMPTION PER UNIT OF PRODUCTION		
Electricity purchased & own Generation (units)	10,410	10,575
Furnace Oil (Ltr)	Nil	Nil
Coal Quality 'C' Grade (MT)	5.75	5.66
Briquettes (MT)	0.29	0.24

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. Through its strengths in innovation and agile development practices, the Company has adapted itself in meeting the expectation of its customers amidst changing regulatory environments. Evolutionary development, adaptive learning, continual improvements and perseverance form the core around which Bhagiradha has modelled its R&D. In doing so, it has succeeded in being recognized as a credible global agrochemical player. A robust product portfolio, elite customer base and a diverse revenue mix reflect our strengths.

The Company lays great emphasis on R&D and intellectual property development which forms the core of the business development strategy. All the process technologies implemented by the company have been developed in-house in the DSIR recognized R&D. The R&D has developed and mastered a library of reactions over a period of time which forms the crux for future developments. The swiftness in development and implementation of new technologies has brought and will continue to bring good business for the company.

- 1) Specific areas in which R&D is carried out by the company
 - Optimization of existing process technologies
 - Joint R&D development programs with overseas companies
 - Development of process technologies for generic pesticides and intermediates
 - Scale up and optimization of process technologies
 - Safety studies

- 2) Benefits derived as a result of the above efforts:
During Financial Year 2022- 2023 the company has
 - Continued Optimization of the existing process.

- 3) Future plan of action
 - The company has plans to launch new generic products every year for domestic / export market. The R&D team is actively working on development of process technologies.

4) Expenditure on R&D for the year 2022-23

₹ In Lakhs	
Particulars	Amount
Capital	236.00
Recurring	159.84
Total	395.84
R&D expenditure as a percentage of total turnover	0.79

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
 - Reduction in cost of manufacture.
 - Reduction in the waste generation
 - 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

Particulars	Amount ₹ In Lakhs
Earnings	6691.12
Outgo	11,504.44

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

K S Raju
Chairman
DIN No.: 00008177

S Chandra Sekhar
Managing Director
DIN No.: 00159543

Place: Hyderabad
Date: May 13, 2023



ANNEXURE-VII

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	L24219TG1993PLC015963
2.	Name of the Company	BHAGIRADHA CHEMICALS AND INDUSTRIES LIMITED
3.	Year of incorporation	07.07.1993
4.	Registered office address	8-2-269/S/3/A, Plot No:3, Sagar Society, Road No:2, Banjara Hills, Hyderabad – 500034, Telangana
5.	Corporate address	8-2-269/S/3/A, Plot No:3, Sagar Society, Road No:2, Banjara Hills, Hyderabad – 500034, Telangana
6.	E-mail id	info@bhagirad.com
7.	Telephone	Ph: 040-42221212 Fax: 040-23540444
8.	Website	www.bhagirad.com
9.	Financial year reported	April 01, 2022 – March 31, 2023
10.	Name of the Stock Exchanges where shares are listed	BSE Limited National Stock Exchange Limited (NSE)
11.	Paid-up Capital	₹ 10,40,54,830/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Sharanya. R Company Secretary and Compliance Officer 040-42221212 cs@bhagirad.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1.	Agrochemical Manufacturing	Manufacture of Insecticides, fungicides, Herbicides and their intermediates	100%

15. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of Insecticides, fungicides, Herbicides and their intermediates	20211	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
National	1	1	2
International	0	0	0

17. Markets served by the Company

a. Number of locations

Locations	Number
National (No. of States)	17 (including States & UTs)
International (No. of Countries)	6

b. What is the contribution of exports as a percentage of the total turnover of the Company?

Exports constitute about 10.61% of the total revenue.

c. Types of customers

The customers constitute Agrochemical manufacturers, Pesticide formulators and traders

IV. Employees

18. Details as at the end of Financial Year, i.e. March 31, 2023:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	112	106	94.64	6	5.36
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D+E)	112	106	94.64	6	5.36
WORKERS						
4.	Permanent (F)	355	344	96.90	11	3.10
5.	Other than Permanent (G)	205	190	92.68	15	7.32
6.	Total workers (F+G)	560	534	95.36	26	4.64

b. Differently abled Employees and workers: Nil

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D+E)	-	-	-	-	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F+G)	-	-	-	-	-

19. Participation/Inclusion/Representation of women

Sl. No.	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	7	2	28.57
Key Management Personnel	4	1	25



20. Turnover rate for permanent employees and workers

Particulars	FY 2023			FY2022			FY2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	4.88	-	4.63	4.08	76.92	8.61	0.88	6.45	1.24
Permanent Workers	8.31	-	8.04	8.00	-	7.71	14.67	-	14.18

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Name of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1.	Bheema Fine Chemicals Private Limited	Subsidiary	100%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in lakhs.): 50393.505

(iii) Net worth (in Lakhs): 31480.83

VII. Transparency and Disclosure Compliances

23. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy) #	FY2023			FY2022		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes	NIL	NIL	NA	NIL	NIL	NA
Investors (other than shareholders)	NA	NA	NA	NA	NA	NA	NA
Shareholders	Yes ¹	1	0	NA	NIL	NIL	NA
Employees and workers	Yes ²	NIL	NIL	NA	NIL	NIL	NA
Customers	Yes ³	NIL	NIL	NA	NIL	NIL	NA
Value Chain Partners	Yes ⁴	NIL	NIL	NA	NIL	NIL	NA
Other (please specify)	-	-	-	-	-	-	-

The policies guiding the Company's conduct, including the grievance redressal mechanism wherever applicable, are available on the Company's website at <https://www.bhagirad.com/corporate.html>

- The Company provides a mechanism to address grievances of its shareholders. XL Softech Systems Limited has been appointed as the Share Transfer Agent and is responsible for addressing shareholders' inquiries, requests, and complaints. The Share Transfer Agents operate within the guidelines established by SEBI and respond to such grievances through a designated email address.
- The Company's Whistle Blower Policy is available to all employees and workers. The Company offers various communication channels, including an email address, and written complaints, to address any grievances through the Whistle Blower mechanism.
- Customers have multiple communication channels to address their grievances, including periodic meetings at various levels and website to raise issues/complaints
- Value chain partners can avail the grievance redressal mechanism through various channels, including an email address, a shared service helpdesk, and the Whistle Blower Policy

24. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Hazardous and Toxic Waste Management	Risk	Our operations and services result in toxic and hazardous waste which have the potential to negatively affect the environment	Recycling and Disposal of waste as per the regulatory directions.	Negative - Failure to comply with the regulation may result in legal and regulatory risk which may lead to loss of business in case of coercive action by the authorities
2.	Emissions Management	Risk	Failure to comply with emission norms could lead to negative/ inevitable long-term impact on the environment and society, with imposition of levies/ fines/ directions, escalation in costs related to monitoring and reporting.	Complying with the regulations, conditions and standards set forth by the regulatory authority and Online Continuous Emission monitoring system to record real time data is implemented.	Negative – Failure to comply with the regulation may result in legal and regulatory risk which may lead to loss of business in case of coercive action by the authorities
3.	Health & Safety	Risk	Risk- Workplace hazards directly hamper the company’s productivity, finances and reputation. The repercussions and efforts to develop a safe/ hazard free environment would take time and resources to recover from. Effective health & safety practices boost employee morale, increase productivity and promote corporate responsibility.	The Company has taken initiatives to ensure the well-being of its employees/workers. Besides the mandatory coverage of eligible employees under ESI scheme, Group Health Insurance Cover is provided to all the employees and their families to cover their hospitalization bills. An Occupational Health Centre is located inside the factory. The company is increasingly investing in preventive measures. Identifying, understanding, controlling and eliminating the risks associated with hazards at workplace are done on a regular basis.	Negative- Poor health & safety practices directly impact the production output and company’s finance resulting in stunted growth. Effective systems in place to avoid mishaps and reduce costs associated with accidents and incidents, thereby leading to improved confidence and lower employee turnover rates in the company



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Regulatory & Legal Compliances	Risk	Risk- Risk of non-compliance exposes the organization to legal penalties and financial losses resulting from failure to comply with the industry laws and regulations. Failure to adhere to the laws would directly affect the company's revenue, valuations and could lead to loss of reputation and business opportunities. More compliant companies tend to have improved performances and better process efficiency. Compliance gives assurance and provides a broader insight to the investors.	The Company has a proper and adequate system of Internal Controls for fair reporting and compliance with all applicable regulatory laws and company policies. The company has code of conduct, whistle-blower and insider trading policies to safeguard the interests of the investors and other stakeholders.	Negative- Non-compliance would lead to loss of reputation and consequently affect the business activities. Companies who are compliant with the regulatory laws have a better ability to manage risks and build a better sense of fairness and loyalty among employees
5.	Ethical business conduct	Opportunity	Ethical business conduct leads to Better business reputation and improved relations with other business entities.	Company's Code of Conduct makes sure that all business processes are conducted ethically and in a fair and transparent manner.	Positive - following an ethical conduct of business helps in having a competitive advantage in terms of reputation and strong customer base. Helps in drawing more investors towards the business. Aids in avoiding legal issues. Builds trust amongst employees and other business partners.
6.	Risk Management	Opportunity	Opportunity- Integrating risk management into a Company's overall strategy offers several opportunities for businesses. It helps protect against potential disruptions and ensures that the Company is better positioned to respond and adapt to a rapidly changing business landscape. This approach offers businesses the opportunity to enhance their resilience, ensuring continued success and growth	The Company has an effective risk management framework in place to identify, assess and mitigate the risk posed by the organisation	Positive- Effective risk management systems are critical to the company's overall performance and growth

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Weblink of the policies, if available	The Policies are available on the website of the company at https://www.bhagirad.com/corporate.html								
2. Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	ISO 9001:2015 – Quality Management Systems ISO 14001:2015 – Environmental Management Systems ISO 45001:2018 – Occupational Health & Safety Management RC 14001:2015 – Environment, Health, Safety and Security Management System								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	The Company aims to create value for its stakeholders not only through its products but by striking a balance between sustainability priorities and business. We are constantly endeavouring to reduce our energy consumption in an effort to reduce our carbon footprint. We are consistently moving towards adopting innovative production technologies that are more sustainable and environmental friendly. We have taken proper control measures in addressing issues of pollution/waste management, and emission control. We acknowledge the necessity of coordinating our ESG endeavours with our business objectives. We shall ensure putting all plans into actions that shall compliment sustainability requirements. We are committed to improving our ESG practices and outcomes.								
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	The Company continuously monitors its performance against the said indicators periodically, take corrective action as needed and institutionalise preventive steps to strengthen its performance on the said parameter.								
Governance, leadership and oversight									
7.	Statement by Director, responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Bhagiradha Chemicals is committed to integrate ESG principles into its businesses practices. The Company remains committed to continuous improvement and innovation in sustainability practices. It recognises that ongoing efforts are crucial in creating a greener and healthier world for future generations. The company has integrated sustainability into all aspects of business. Company's sustainability framework aims to reduce carbon footprint, conduct responsible business practices that benefit society at large.								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Board of Directors are responsible for implementation and oversight of the Business Responsibility policies. Sri A. Arvind Kumar, Chief Executive Officer Sri. B. Krishna Mohan Rao, Chief Financial Officer								
9. Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Company has a Risk Management committee of the Board of Directors which is responsible for making decisions on sustainability issues								

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Board of Directors									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Board of Directors									Annually								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment /evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.									No

12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

Not Applicable

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principle material to its business (Yes/ No)					-				
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)					-				
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					-				
It is planned to be done in the next financial year (Yes/No)					-				
Any other reason (please specify)					-				

Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1:

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	3	Amendments in Corporate laws, Roles and Liabilities of Independent Director, Prohibition of Insider trading, Board Diversity	100%
Key Managerial Personnel	8	Code of conducts for senior management, Business ethics, labor laws, Information Technology changes, POSH, Information security, Risk management, safety in supply chain, Technical Training on process safety.	100%
Employees other than Board of Directors and KMPs	10	Ethical Business Practices, POSH, labor laws, human rights at workplace, Team skill development, Personality development, Interpersonal Skills, Safety Training to prevent hazards/accident in factory, First Aid Training, pollution control, energy conservation, regulatory compliance, waste reduction and water saving, covid safety protocols	90%
Workers	23	Safety and Health, Energy Conservation, waste reduction, POSH, labor and human rights.	88%

2. Details of fines /penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	NA	NA	NA	NA
Settlement	NIL	NA	NA	NA	NA
Compounding fee	NIL	NA	NA	NA	NA

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	NIL	NA	NA	NA	
Punishment	NIL	NA	NA	NA	



3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
NA	NA

4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company places a strong emphasis on conducting business in a fair, transparent and ethical manner. To ensure compliance with ethical standards, the Company strictly follows all relevant laws and regulations that prohibit bribery and other corrupt activities. The Company continues to stay committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of honesty, integrity, governance and transparency in all its businesses.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

NA

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.

Not applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

During the financial year under review the company has not conducted any awareness programmes for value chain partners on any of the Principles.

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-	-	-

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has placed necessary safeguards to avoid any conflict of interest involving members of the Board. Company has adopted a policy on dealing with the related party transactions and ensures compliance of law at the time of entering into any transaction with its related parties and the company has also adopted Code of Conduct for Senior Management and Board Members. The policies are available on its website at <https://www.bhagirad.com/corporate.html>

Principle 2:

Business should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

Segment	FY2023 (Current financial year)	FY2022 (Previous financial year)	Details of improvements in environmental and social impacts
R&D	8%	NIL	Our emphasis on digitizing operations, leads to a reduced carbon footprint and enhanced efficiency, thus reflecting our intent to make a positive contribution to the environment and society
Capex	38%	11%	We implemented certain technologies to enhance the environmental sustainability of our operations. Effluent treatment plant was modernized over the years with installation of contemporary and energy efficient equipment. These steps have led to minimizing the carbon footprint and impact on the environment.

2.
 - a. Does the entity have procedures in place for sustainable sourcing?

Yes, the company has procedures in place for sustainable sourcing and reviews the sources from the sustainability perspective periodically.
 - b. If yes, what percentage of inputs were sourced sustainably?

70%. The company procures raw materials from reputed manufacturers and ensures that applicable protocols are followed while loading, unloading and during the transportation.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
 - Inorganic solid waste generated in the process of manufacture are sent to TSDF for secured land filling as approved by APPCB.
 - Process Organic residue, ETP sludge, date expired, discarded and off-specification raw materials/product, used membranes from water treatment plant, general waste such as insulation puff, insulation wool, used PPE, nitrile rubber, paper waste, packing material waste, PPRP etc. are sent to pre-processors/authorized cement industries for co-processing (as utilizable waste) as approved by APPCB.
 - Waste oil & grease is disposed to APPCB authorized agencies as recyclable waste
 - Used filters contaminated with oil from DG Sets are disposed to APPCB authorized re-processor/recycler as recyclable waste
 - Used lead acid batteries sent to supplier on buy back basis.
 - Boiler ash is disposed to brick manufacturers



4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities? If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility is currently not applicable to the company. However, the company strives towards reducing waste and reusing treated water at different stages of its operations and ensures a Zero Liquid Discharge System while complying with the statutory requirements of the Central and/or State Pollution Control Boards.

Leadership Indicators -

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
The company did not conduct any LCA in FY 22-23					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

The company is into manufacture of pesticides and its intermediates through the process of chemical synthesis. The chemicals used in manufacturing pose environmental risk if not handled properly. The company is running its manufacturing plant in compliance with the directions and norms laid out by various government departments including APPCB, Director of Factories.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY2023 (Current financial year)	FY2022 (Previous financial year)
	7.52%	7.68%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023			Re-used	Recycled	Safely Disposed
	Re-used	Recycled	Safely Disposed			
Plastics (including packaging)	NIL	NIL	NIL	NIL	NIL	NIL
E-waste	NIL	NIL	NIL	NIL	NIL	NIL
Hazardous waste	NIL	NIL	4868	NIL	NIL	4621
Other waste	NIL	NIL	NIL	NIL	NIL	NIL

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	NIL

Principle 3:

Business should respect and promote the wellbeing of all employees, including those in their value chains

Essential indicators:

1. a. Details of measures for the wellbeing of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	106	106	100%	106	100%	0	0%	0	0%	0	0%
Female	6	6	100%	6	100%	6	100%	0	0%	0	0%
Total	112	112	100%	112	100%	6	100%	0	0%	0	0%
Other than Permanent employees											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	344	344	100%	344	100%	0	0%	0	0%	0	0%
Female	11	11	100%	11	100%	11	100%	0	0%	0	0%
Total	355	355	100%	355	100%	11	100%	0	0%	0	0%
Other than Permanent Workers											
Male	190	0	0%	0	0%	0	0%	0	0%	0	0%
Female	15	0	0%	0	0%	0	0%	0	0%	0	0%
Total	205	0	0%	0	0%	0	0%	0	0%	0	0%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023			Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)				
PF	100%	100%	Y	100%	-	Y	
Gratuity	100%	100%	Y	100%	-	Y	
ESI *	0%	35.97%	Y	0%	47.51%	Y	
Others- please specify	NA						

*All the employees and workers whose monthly gross salary is less than ₹ 21,000 only, are eligible for ESIC benefits.

3. Accessibility of workplaces

Are the premises / offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.

Yes, the Company ensures that all the locations where it operates are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016. The Company has implemented various measures to achieve this, including the provision of wheelchair access and ramps and elevators.



4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company is committed to maintaining a policy of non-discrimination and enforcing a strong stance against any behaviour that contravenes its ethics and Code of Conduct. These standards are clearly outlined in the Business Responsibility Policy, demonstrating the Company's dedication to promoting a culture of fairness, respect and accountability. The same can be accessed at <https://www.bhagirad.com/corporate.html>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	N.A	N.A	N.A	N.A
Female	N.A	N.A	N.A	N.A
Total	N.A	N.A	N.A	N.A

Note: During the Year, no maternity leave was availed.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	The company has grievance redressal mechanisms in place. This mechanism is a formal process for workers/employees to report any issues or concerns they may face in the organisation. Workers can report grievances in person or can report via email, telephone or letter to managers/ senior management personals of the company. Once a grievance is reported, the company takes necessary actions to resolve it. In addition to the above, the Company has adopted the whistle blower mechanism for employees to report concerns about unethical behaviour, 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.
Other than permanent workers	
Permanent employees	
Other than permanent employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023			FY2022		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Total Permanent Employees	112	0	0%	104	0	0%
- Male	106	0	0%	99	0	0%
- Female	6	0	0%	5	0	0%
Total Permanent Workers	355	0	0%	317	0	0%
- Male	344	0	0%	306	0	0%
- Female	11	0	0%	11	0	0%

8. Details of training given to employees and workers:

Category	FY 2023					FY2022				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	106	92	89%	86	81%	99	72	73%	69	70%
Female	6	3	50%	2	33%	5	2	40%	2	40%
Total	112	95	85%	88	79%	104	74	71%	71	68%
Workers										
Male	344	344	100%	125	36%	306	306	100%	102	33%
Female	11	11	100%	2	18%	11	11	100%	2	18%
Total	355	355	100%	127	36%	317	317	100%	104	33%

9. Details of performance and career development reviews of employees and workers:

Category	FY2023			FY2022		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	106	106	100%	99	99	100%
Female	6	6	100%	5	5	100%
Total	112	112	100%	104	104	100%
Workers						
Male	344	344	100%	306	306	100%
Female	11	11	100%	11	11	100%
Total	355	355	100%	317	317	100%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, a Health Centre is located inside the factory and it functions round the clock with qualified staff to cater to the needs of onsite employees and emergencies. We also have the relevant ISO 45001:2018 and ISO 14001:2015 certifications in place endorsing compliance with the systems.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The company has several processes in place to identify work-related hazards and assess risks on a routine and non-routine basis, including: Hazard Identification and Risk Analysis (HIRA) process. The company uses a structured approach to identify and evaluate potential hazards in its operations. The company encourages its employees and workers to report any incidents, accidents, or near-misses that occur in the workplace. Safety walkthroughs by the leadership and senior management are held throughout the organisation. Risk assessment, various system audits, periodic inspections are done to check compliance and adherence to safety protocols and safe operating procedures.

- c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)

Yes. The Company's workers have multiple channels to report incidents and accidents through the incident reporting system, emails, verbal reporting to supervisors/managers.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, Employees and workers of the organisation have access to non-occupational medical and healthcare services. The company also has corporate tie-ups with the nearest multi-specialty hospitals for any emergencies. The employees and their family members are also covered under a Group Health Insurance policy.

**11. Details of safety related incidents, in the following format:**

Safety Incident /Number	Category	FY2023	FY2022
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company undertook various measures to ensure a safe and healthy workplace which include:

- Implementing Organisation Health and Safety System in line with ISO 45001:2018 standards
- organising awareness programs on health and safety
- Annual medical check-up of all employees in the factory is done under tie-up with a hospital/laboratory
- Health Centre within the factory premises functions with qualified staff round the clock.
- Facilitating the availability of a qualified doctor in the health centre every day for few hours.
- Conducting periodic safety audits and inspections

13. Number of Complaints on the following made by employees and workers:

Category	FY 2023			FY2022		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	NIL	NIL	NA	NIL	NIL	NA
Health & Safety	NIL	NIL	NA	NIL	NIL	NA

14. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of**

- (A) Employees: Yes
- (B) Workers: Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Periodical verification is done at the time of filing returns to check whether the relevant statutory dues have been paid by the value chain partners. If default is noticed, the partners are followed up for confirmation of payment of statutory dues. Apart from these, wherever applicable, proof of having paid the statutory dues for the previous month is obtained before making payment of further dues to the value chain partners. Internal and statutory audits are conducted during which, instances of default by value chain partners are identified. These audits provide a comprehensive assessment of the Company's compliance with relevant laws. By thoroughly reviewing these compliances, the Company aims to uphold its commitment and adherence to labour laws and regulations.

3. Provide the number of employees / workers having suffered high consequences work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2023	FY2022	FY2023	FY2022
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

Wherever required and feasible, the company extends assistance by way of referrals to other entities to facilitate employment in deserving cases.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

As of now, the Company does not have any policy to oversee health and safety practices and working conditions of value chain partners.

Principle 4:

Business should respect the interests of and be responsive to all its stakeholders

1. Describe the processes for identifying key stakeholder groups of the Company.

The Company values its relationships with stakeholders and maintains proactive and continuous engagement through various channels such as performance reviews, meetings, surveys, feedback systems, media, events, and other means. This approach allows the Company to foster strong partnerships and build trust with its stakeholders, leading to mutually beneficial outcomes.



2. List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others-please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders / investors	No	Emails, annual reports, newspaper advertisement/ notices, the Company's website, annual general meetings	Ongoing	Update on business performance and operation, new developments in the company. Update on financial performance.
Customers	No	Email/newspaper/con-call/ meetings/ feedback	Ongoing	Update on business performance and new product development/ initiatives, customer trust and satisfaction, Timely and efficient redressal of complaints
Suppliers / Value Chain Partners	No	Email/newspaper/con-call/ vendor/ supplier meetings	Ongoing	Regular business updates, performance feedback, update on change in regulations pertaining to supplies/services
Employees/ workers	No	Emails, Telephone, meetings, Website, Notice board, Senior leaders' communication / performance appraisal meetings/review, wellness initiatives, intranet, circulars, quarterly publication, newsletters	Ongoing	Job satisfaction, performance and Remuneration. Training and development initiatives that support career growth. Safe working conditions. Non-discrimination. Prompt grievance redressal mechanisms
Community	Yes	Meetings (community / local authority and town council), newspaper advertisement	Ongoing	Community development, CSR Initiatives, waste management, climate change impacts, disaster management, relief, rehabilitation and reconstruction activities.
Government and Govt. Officials	No	Emails / Community meetings/ In person meetings	Need based	laws and regulations, positive environmental and social impact of businesses, alignment of businesses with policy priorities for industrial growth
Banks and Financial institutions	No	Email/newspaper/con-call/ meetings/ In person meetings	Need based	Update on business, financial performance, financial assistance

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Management consistently keeps the Board members informed during Board meetings about the feedback received from a wide range of stakeholders concerning Environmental, Social and Governance (ESG) matters. These updates play a vital role in ensuring that the Board members are well-informed about the perspectives and opinions expressed by stakeholders regarding ESG-related issues. By staying updated, the Board members can make informed decisions and effectively address the concerns raised by stakeholders.

Moreover, the Risk Management Committee of the board also reviews and monitors the risk associated with the economic, environmental, and social topics and suggests suitable measure to address the concerns raised by stakeholders, which helps the company in effective stakeholder engagement and encourages active participation in ESG initiatives.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the feedback received from the stakeholders concerned, as explained above, are periodically discussed with the Board and necessary actions are initiated and are used wherever applicable in the activities and policies of the entity.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company does not, currently, have a vulnerable and marginalised group amongst its stakeholders

Principle 5:

Business should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY2023			FY2022		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
Employees						
Permanent	112	88	79%	104	73	70%
Other than Permanent	0	0	0%	0	0	0%
Total Employees	112	88	79%	104	73	70%
Workers						
Permanent	355	355	100%	317	317	100%
Other than Permanent	205	205	100%	147	147	100%
Total Workers	560	560	100%	464	464	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023					FY2022				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	112	-	-	112	100%	104	-	-	104	100%
Male	106	-	-	106	100%	99	-	-	99	100%
Female	6	-	-	6	100%	5	-	-	5	100%
Other than Permanent	-	-	-	-	-	-	-	-	-	-



Category	FY 2023					FY2022				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	355	-	-	355	100%	317	-	-	317	100%
Male	344	-	-	344	100%	306	-	-	306	100%
Female	11	-	-	11	100%	11	-	-	11	100%
Other than Permanent	205	-	-	205	100%	147	-	-	147	100%
Male	190	-	-	190	100%	137	-	-	137	100%
Female	15	-	-	15	100%	10	-	-	10	100%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number***	Median remuneration/salary/wages of respective category **	Number***	Median remuneration/salary/wages of respective category **
Board of Directors (BoD)*	1	214.33	0	-
Key Managerial Personnel (KMP)#	2	81.81	1	18.23
Employees other than BoD and KMP	103	8.07	5	6.06
Workers	344	2.97	11	1.98

*There is only one Executive Director on the Company's Board and as such his actual remuneration is given in category of BOD.

The Sitting fee paid to the other directors is not considered in BOD Category.

The said Executive Director has been included in Board of Directors segment and hence, excluded from KMP segment.

** All median remuneration figures are in ₹ Lakhs

*** Active headcount as of 31st March 2023

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes, the Company's senior management is responsible for addressing human rights impacts or issues caused or contributed to by the business

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company is firmly committed to internationally accepted human rights principles and standards. To ensure compliance with this commitment, the Company has established rigorous procedures and processes to prevent any human rights violations across all its operations. Additionally, the Company has implemented a whistle-blower policy to encourage and facilitate the reporting grievances or complaints by its employees. The Company ensures that if any grievances are received they are thoroughly investigated and appropriate measures are taken to address the issue or complaint.

6. Number of Complaints on the following made by employees and workers:

	FY 2023			FY2022		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA

	FY 2023			FY2022		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Forced Labour/Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other Human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The company has an absolute zero-tolerance towards any acts of sexual harassment at workplace. Whenever the Company receives any complaint regarding sexual harassment, the company shall initiate immediate steps to ensure the comfort and safety of the complainant. Company ensures that utmost confidentiality is maintained while handling these matters. The Company ensures the above through its Code of Conduct, whistle-blower policy and policy on prevention of sexual harassment.

8. Do human rights requirements form part of your business agreements and contracts?

Yes

9. Assessment for the year:

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100
Forced Labour/Involuntary Labour	100
Sexual Harassment	100
Discrimination at workplace	100
Wages	100
Other- please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There are no significant risks/concerns that have been identified.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

NIL

2. Details of the scope and coverage of any Human rights due-diligence conducted.

NIL

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil



	% of value chain partners (by value of business done with such partners) that were assessed
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others – please specify	Nil

During the year, the company has not conducted any assessment of value chain partners.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

Principle 6:

Business should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY2023	FY2022
Total electricity consumption (A)	1,01,339 GJ	95,984 GJ
Total fuel consumption (B)	3,45,705 GJ	3,13,245 GJ
Energy consumption through other sources (C)	NIL	NIL
Total energy consumption (A+B+C)	4,47,044 GJ	4,09,229 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in crores)	887	937
Energy intensity (optional) – the relevant metric may be selected by the Company	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the Company have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The company does not have any site/facilities identified as designated consumers (DCs) under PAT scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY2023	FY2022
Water withdrawal by source (in kilolitres)		
(i) Surface water	NIL	NIL
(ii) Groundwater	95,660 KL	98,710 KL
(iii) Third party water	NIL	NIL
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	95,660 KL	98,710 KL
Total volume of water consumption (in kilolitres)	95,660 KL	98,710 KL
Water intensity per rupee of turnover (Water consumed / turnover)	190	226
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The company has implemented Zero Liquid Discharge, details of which are given below.

The plant is having following systems for effluent treatment:

- Volatile Organic Compound (VOC) Strippers
- Multiple Effect Evaporators (MEE)
- Agitated Thin Film Dryers (ATFD)
- Biological Treatment Plant (BTP)
- Sewage treatment Plant (STP)
- Reverse Osmosis Plants (RO)

The main sources of effluent generation from plant are from process, blow downs from boiler and cooling tower and domestic effluents. The effluents generated in the process are both Organic and inorganic in nature. For efficient treatment, the effluents are segregated as process effluents and Non process effluents. Process effluents are sent to VOC stripper for separation of VOC's. After stripping, the stripped organic (VOC) is sent to TSDF / authorized cement plants for co-incineration. After stripper, the process effluents are sent to MEE. The condensate from MEE is collected and further treated in Biological treatment plant. The residue from the MEE is dried in ATFD. The condensate from ATFD is collected and treated in Biological treatment plant. The dried mass from ATFD is packed in 1ton HDPE bags and sent to TSDF, for safe disposal to secured land fill. Blow downs from cooling tower and boiler are sent to biological treatment plant. The treated water from Biological treatment plant is sent to RO. The RO Permeate is used for cooling tower makeup and rejects is sent to MEE for further treatment.

Domestic effluents are treated in Sewage treatment plant. The treated wastewater in STP is sent to RO, the RO Permeate is used for cooling towers makeup and the reject water from the RO is sent to MEE for further treatment.

5. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:

Parameter	Unit	FY2023	FY2022
NOx	µg/m3	12.15	14.74
SOx	µg/m3	23.78	29.17
Particulate matter (PM)	mg/Nm3	45.78	48.62
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)	ppm	0.574	0.648
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. Provide details of greenhouse gas emissions (Scope1 and Scope 2 emissions) & its intensity, in the following format:

Greenhouse gas emissions is not monitored.

Parameter	Unit	FY2023	FY2022
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 1 and Scope 2 emissions per rupee of turnover	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-



Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.

At present the company does not have project related to reducing Green House Gas emissions.

8. Provide details related to waste management by the Company, in the following format:

Parameter	FY2023	FY2022
Total Waste generated (in metric tonnes)		
Plastic waste (A)	NIL	NIL
E-waste (B)	NIL	NIL
Bio-medical waste (C)	NIL	NIL
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	NIL	NIL

Parameter	FY2023	FY2022
Radioactive waste (F)	NIL	NIL
Other Hazardous Waste. Please specify, if any. (G)	4872	4597
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	NIL	NIL
Total (A+B + C + D + E + F + G + H)	4872	4597

**For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations
(in metric tonnes)**

Category of waste		
(i) Recycled	NIL	NIL
(ii) Re-used	NIL	NIL
(iii) Other recovery operations	NIL	NIL
Total		

For each category of waste generated, total waste disposed of through disposal method (in metric tonnes)

Category of waste		
(i) Incineration	493	417
(ii) Landfilling	4379	4180
(iii) Other disposal operations	NIL	NIL
Total	4872	4597

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The industry is disposing the inorganic hazardous waste to approved landfills and organic waste to authorized cement plants for incineration.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

There is no ecologically sensitive area near the company.

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
-	-	-	-

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-	-	-	-	-	-

No projects were undertaken during the financial year.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N). Yes

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	NA			NA

Leadership Indicators -

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY2023	FY2022
From renewable sources		
Total electricity consumption (A)	NIL	NIL
Total fuel consumption (B)		
Energy consumption through other sources (C)	NIL	NIL
Total energy consumed from renewable sources (A+B+C)	NIL	NIL
From non-renewable sources		
Total electricity consumption (D)	1,01,339 GJ	95,984 GJ
Total fuel consumption (E)	3,45,705 GJ	3,13,245 GJ
Energy consumption through other sources (F)	NIL	NIL
Total energy consumed from non-renewable sources (D+E+F)	4,47,044 GJ	4,09,229 GJ

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Provide the following details related to water discharged:

No Discharge as the company operating ZLD system for effluent treatment.

Parameter	FY2023	FY2022
Water discharge by destination and level of treatment (in kilolitres)		
i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-



Parameter	FY2023	FY2022
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

The company is not drawing or discharging in area of water stress.

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY2023	FY2022
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Scope 3 emissions are not monitored

Parameter	Unit	FY2023	FY2022
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

There has been no significant direct or indirect impact on biodiversity

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
	Reduction in waste, waste waters, improvement is atom efficiency in manufacturing process	The company through its R&D is continuously putting efforts in the direction of optimizing the reaction yields, reducing the water usage and waste water generation, identifying alternate process technologies that result in lower waste.	Decrease of waste, improvement in cost

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The manufacturing site has On-site emergency plan in place which includes essential information about the hazardous materials present in the plant, potential emergencies, accident-prone areas, and the emergency control plan. It outlines authority delegation, control measures, and other relevant details. Additionally, the plan provides general information such as the plant’s location, layout and the assistance they can provide.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

During the reporting period, the Company has not done any impact analysis of Value chain partners regarding impact on the environment, either directly or indirectly.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

NIL, during the reporting period, the Company has not done any assessment of Value chain partners regarding environmental impacts

**Principle 7:**

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential indicators

1. a. Number of affiliations with trade and industry chambers/associations.

Company is a member of 4 associations.

- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	Pesticides Manufacturers & Formulators Association of India (PMFAI)	National
2	The Federation of Telangana Chambers of Commerce and Industry	State
3	CHEMEXCIL	National
4	Crop Care Federation of India (CCFI)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective action taken
Not Applicable		

During the year under review, no adverse orders have been passed by any regulatory body relating to the anti-competitive conduct by the Company.

Leadership Indicators

1. Details of public policy positions advocated by the Company:

Sl. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/Others- please specify)	Web Link, if available
NIL					

Principle 8:

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has established a comprehensive feedback collection system that enables customers to provide their input through multiple channels. Customers can share their feedback and grievances by visiting the Company website, contacting through telephone, or emailing queries at info@bhagirad.com. grievances are escalated and resolved within the time bound period depending on nature of grievances.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY2023	FY2022
Directly sourced from MSMEs/small producers	9.6%	9.2%
Sourced directly from within the district and neighbouring districts	4.8%	4.9%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:

During the year under review no CSR projects were undertaken by the Company in the designated aspirational districts as identified by government bodies

- 3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? No
- (b) From which marginalized /vulnerable groups do you procure? Not Applicable
- (c) What percentage of total procurement (by value) does it constitute? Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Education	1753	100%
2	Rural Development	1952	100%
3	Disaster Management	273	100%

**Principle 9:**

Businesses should engage with and provide value to their consumers in a responsible manner

Essential indicators**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has established a comprehensive feedback collection system that enables customers to provide their input through multiple channels. Customers can share their feedback by visiting the Company website, contacting through telephone, or emailing queries at info@bhagirad.com. Complaints are escalated and resolved within the time bound period depending on nature of complaint.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%-
Recycling and/or safe disposal	100%-

3. Number of consumer complaints in respect of the following:

	FY2022-23			FY2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL	NA	NIL	NIL	NA
Advertising	NIL	NIL	NA	NIL	NIL	NA
Cyber- security	NIL	NIL	NA	NIL	NIL	NA
Delivery of essential services	NIL	NIL	NA	NIL	NIL	NA
Restrictive Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Unfair Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Other (product related)	NIL	1	NA	1	1	Consumer complaint filed in the Consumer forum Osmanabad, Maharashtra

4. Details of instances of product recalls on account of safety issues:

Sl. No.	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, <https://www.bhagirad.com/corporate.html>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/ services.

No such instances

Leadership Indicators**1. Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available).**

The information on products and services of the Company are available on the website of the company at <https://www.bhagirad.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Safety data sheets are provided to the customers.



3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Concerned customers are informed in business meetings and/or by email / telephone/ website

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Yes, the Company adheres to the applicable laws & regulations regarding the display of the product label and the information related thereto, any additional information based on the request from Customer.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? Yes/No.

No

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches, along with impact:

NIL

b. Percentage of data breaches involving personally identifiable information of customers:

Not Applicable

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

K S Raju

Chairman

DIN No.: 00008177

S Chandra Sekhar

Managing Director

DIN No.: 00159543

Place: Hyderabad

Date: May 13, 2023



ANNEXURE-VIII

Corporate Governance Report

The Board of Directors of the Company have pleasure in presenting the Company's Report on Corporate Governance for the Financial Year 2022-23 in pursuance 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 is founded upon a rich legacy of fair, ethical and transparent governance practices. Your Company is committed to uphold best business practices along with the highest standards of corporate governance. The Company firmly believes that good corporate governance is essential to achieve the long-term corporate goals and enhance stakeholders' value. Critical elements of corporate governance are transparency, internal controls, risk management, internal and external communications, high standards of safety, health, environment, accounting fidelity and product and service quality.

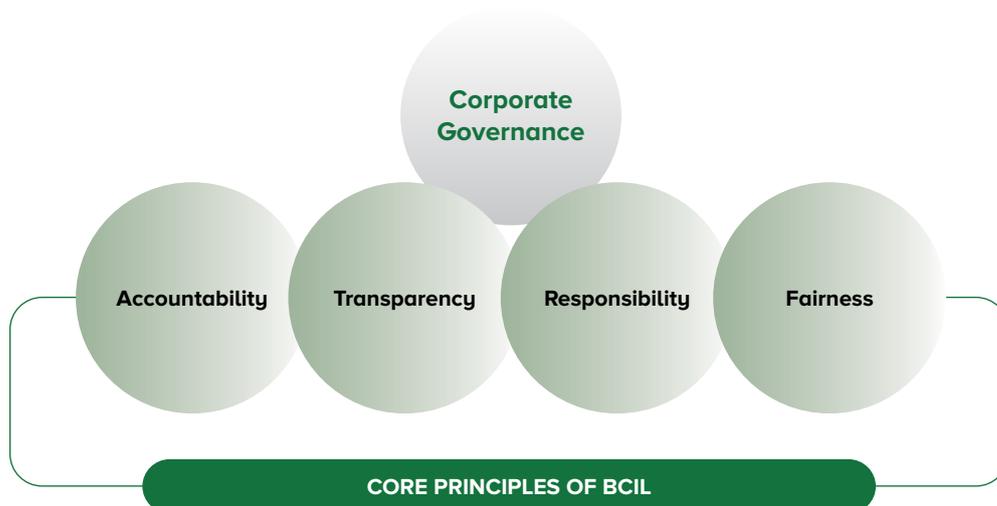
The Company places great emphasis on values such as empowerment and integrity of its employees, fair and ethical dealings with all and accountability to all the stakeholders. The Company doesn't practice Corporate Governance as an act of compliance but with the spirit of governance.

Your Company takes utmost care to safeguard the interests of all its stakeholders. Your Company's governance structure comprises of the Board of Directors and the Committees of the Board at the apex level and the management structure at the operational level.

The Company has adopted a Code of Conduct for its Board and Senior Management. The Company has adopted Governance Guidelines to cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, Director's term, committees of the Board. It also covers aspects relating to nomination, appointment, induction of Directors, Director's remuneration, subsidiary oversight and Board effectiveness review.

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 Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in practicing good corporate governance. The Board comprises of members having varied skills, experience and knowledge. The Board of Directors of the Company ('Board') has an optimum combination of Executive, Non-Executive & Independent Directors including Women Directors.

The Board of Directors is the highest governance body constituted to oversee the Company's overall functioning. The responsibility of Board is to provide strategic guidance to the Company, supervise the Corporate Governance practices in the Company, advise and provide independent views to the Company's senior management, to ensure effective monitoring of the management. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations.

As on March 31, 2023, the Board comprises of 7 directors i.e

- One Executive Director (Managing Director)
- 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 31.03.2023 is as follows:

S. 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. Sudhakar Kudva	Non-Executive Independent Director
4.	Sri. Krishna Rao S V Gadepalli	Non-Executive Independent Director
5.	Sri. Kishor Shah	Non-Executive Independent Director
6.	Smt. G Aruna	Non-Executive Independent Woman Director
7.	Smt. S. Lalitha Sree	Non-Executive - Non Independent Woman Director

*During the year under review, the term of Sri Ketan Chamanlal Budh as a Whole Time Director of the company concluded on 13.05.2022 and he ceased to be a director on the Board of the company with effect from the close of office hours of May 13, 2022

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, 2023 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	5	5	Yes
Sri. S. Chandra Sekhar	Promoter, Managing Director	5	5	Yes
Sri. Sudhakar Kudva	Non-Executive - Independent Director	5	5	Yes
Sri. Krishna Rao S V Gadepalli	Non-Executive - Independent Director	5	5	Yes
Sri. Kishor Shah	Non-Executive - Independent Director	5	3	Yes
Smt. G Aruna	Non-Executive - Independent Director	5	5	Yes
Smt. S. Lalitha Sree	Non-Executive - Non Independent Director	5	4	Yes
*Sri. Ketan Chamanlal Budh	Whole time Director	1	1	*NA

*During the year under review, the term of Sri Ketan Chamanlal Budh as a Whole Time Director of the company concluded on 13.05.2022 and he ceased to be a director on the Board of the company with effect from the close of office hours of May 13, 2022


c. Number of other board of directors or committees in which a director 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 31-03-2023	Category of Directorship
		Chairman	Member		
Sri K.S. Raju	1	-	-	-	-
Sri S. Chandra Sekhar	1	-	2	-	-
Sri Sudhakar Kudva	2	2	3	NACL Industries Limited	Non-Executive, Independent
Smt S. Lalitha Sree	1	-	-	-	-
Sri G.S.V. Krishna Rao	1	1	2	-	-
Sri Kishor Shah	3	2	4	GKW Limited Dhampur Bio Organics Limited	Non-Executive Independent Non-Executive Independent
Dr G Aruna	1	-	-	-	-
*Sri Ketan Chamanlal Budh	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.

*The term of Sri Ketan Chamanlal Budh as a Whole Time Director of the company concluded on 13.05.2022 and he ceased to be a director on the Board of the company with effect from the close of office hours of May 13, 2022

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, five meetings of the Board of Directors of the Company were held on 05-04-2022, 26-05-2022, 08-08-2022, 04-11-2022, 28-01-2023, 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 Part-A of Schedule II of sub-regulation 7 of Regulation 17 of 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 26th May, 2022, 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 electronic/physical mode.

e. Disclosure of relationship between Directors inter-se

As on 31.03.2023 the Board comprises of 7 directors i.e One Executive Director (Managing 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, who is holding 76,470 equity shares as on March 31, 2023.

g. Web link where details of familiarization programmes imparted to independent directors is disclosed

All Board members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations and the industry perspective. On being introduced onto the board of the company, every Independent director is given an induction and is made aware about the organization's Vision, mission, Challenges, risk and opportunities. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and industry sector. All the information/documents sought by them are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

In addition, detailed presentations are made by Senior Management Personnel on business performance of the Company at every Board Meeting. The above initiatives help the Independent Directors to understand the Company, its business and the regulatory framework in which the Company operates and enables the Independent Directors to fulfill their role/responsibility.

The details of familiarization programme imparted to independent directors during the FY 2022- 23 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 consumer & consumer goods 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 also the 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, analyse 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 disruptive 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
Sri. K.S. Raju		✓	✓		✓	✓	✓	
Sri. S. Chandra Sekhar	✓	✓	✓		✓	✓	✓	✓
Sri. Sudhakar Kudva	✓	✓	✓		✓	✓	✓	✓
Smt. S. Lalitha Sree		✓	✓		✓	✓		
Sri. Krishna Rao S V Gadepalli	✓	✓	✓		✓	✓	✓	
Sri. Kishor Shah	✓	✓	✓	✓	✓	✓		
Dr. 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 of independent judgment and without any external influence. They also declare that apart from receiving director's remuneration (i.e sitting fees) 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 was 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 fulfil 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 Composition of all the committees meets the requirements of the Act and the SEBI (LODR) Regulations, 2015. The details of the role and composition of

Committees of the Board including number of meetings held during the year and attendance there at, are provided below. The quorum for committee meetings is as per the Companies Act, 2013 and Listing Regulations. 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 assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Chairman of the Committee is financially literate and all other members of the Audit Committee have accounting or related financial management expertise.

The Audit Committee of the Company 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 Whistle Blower 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 from/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 Companies Code of Conduct for Prevention of Insider Trading. Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, 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 and as delegated by the Board from time to time.

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, names of members and chairperson:

Your Company has duly constituted Audit Committee 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. Krishna Rao S.V Gadepalli	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 2022-23 i.e. 26-05-2022, 08-08-2022, 04-11-2022, 28-01-2023

Meetings of the Committee as on March 31, 2023:

Name	Designation	No. of Meetings	
		Held	Attended
Sri. Sudhakar Kudva	Chairman	4	4
Sri. S. Chandra Sekhar	Member	4	4
Sri. Krishna Rao S.V Gadepalli	Member	4	4
Sri. Kishor Shah	Member	4	2

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. Krishna Mohan 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/ cost auditor, as it considers appropriate, to be present at the Meetings.

4. NOMINATION AND REMUNERATION COMMITTEE

a. Brief description of terms of reference

Your Company has a duly constituted Nomination and Remuneration Committee and the terms of reference, constitution, powers, quorum and other matters in relation to the Nomination and Remuneration Committee are as per 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 is 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;
- Formulate criteria for evaluation of Directors and the Board;
- Recommend to the Board, the appointment or removal, remuneration 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 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;
- Provide guidelines for remuneration of Directors on material subsidiaries;

b. Composition, names 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, 2023:

Name	Category	Designation
Sri. Sudhakar Kudva	Non- Executive Independent Director	Chairman
Sri. K.S.Raju	Non -Executive Independent Director	Member
Sri. Krishna Rao S.V Gadepalli	Non- Executive Independent Director	Member

Sri Sudhakar Kudva, Chairperson of the Committee, was present at the last AGM held on August 12, 2022. 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

Nomination & Remuneration Committee meeting was held on 26-05-2022 during the financial year 2022-23.

Name	Designation	No. of Meetings	
		Held	Attended
Sri. Sudhakar Kudva	Chairman	1	1
Sri. K.S. Raju	Member	1	1
Sri. Krishna Rao S.V Gadepalli	Member	1	1

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 order to 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.

Independent Directors' Meeting: A separate meeting of the Independent Directors of the Company was held on May 26, 2022, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed (i) the performance of Non- Independent Directors, the Chairperson Of the Company; and (ii) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board required to effectively and reasonably perform their duties. All Independent Directors attended the meeting.

Nomination/Remuneration Policy:

In accordance with the provisions of the Companies Act, 2013 and the Listing Regulation, the Company has put in place the Nomination and Remuneration Policy. This policy lays down framework for selecting and nominating Directors, Key Managerial Personnel (KMPs), Senior Management of the Company and payment of remuneration to them. The Nomination and Remuneration Policy is designed to create a high-performance culture and endeavors to attract, retain, develop and motivate a high performing workforce.

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 and KMPs is periodically reviewed and suitable revision is recommended to the Board by the Nomination and Remuneration Committee. The Board shall recommend the remuneration of the Executive Directors 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

Your Company has a duly constituted Stakeholders Relationship Committee and its composition, 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 during the financial year 2022-23 on 26.05.2022.



Terms of reference

The terms of reference of the Stakeholders Relationship Committee is 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, names of members and chairperson, meetings and attendance as on March 31, 2023:

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

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. Krishna Rao S.V Gadepalli, 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
Plot No.3, Sagar Society
Road No.2, Banjara Hills
Hyderabad-500034.
Ph: 040 42221212
E-mail: info@bhagirad.com

c. number of shareholders' complaints received during the financial year: 1

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 is 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, names 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. Krishna Rao S.V Gadepalli	Non-Executive Independent Director	Member
Dr. G Aruna	Non-Executive Independent Director	Member

c. Meetings and attendance during the year

During the Financial Year under review, two (2) meetings of Risk Management Committee were held on 25-07-2022 and 19.01.2023 with necessary quorum being present at the meeting.

The meetings of the risk management committee were conducted on a continuous basis and not more than one hundred and eighty days elapsed between any two consecutive meetings as per provisions of Regulation 21 of SEBI Listing Regulations.

Name	Designation	No. of Meetings	
		Held	Attended
Sri. Sudhakar Kudva	Chairman	2	2
Sri. Krishna Rao S.V Gadepalli	Member	2	2
Dr G Aruna	Member	2	2

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, implementing and monitoring the CSR initiatives of the company. The scope of the CSR Committee also

includes recommending the budget of CSR, reviewing the CSR programmes and monitoring the CSR spends.

Terms of reference

The terms of reference of the CSR Committee is 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 regulations;
- To review periodic reports on performance of corporate social responsibility.

b. Composition, names 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 Krishna Mohan 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 thrice during the financial year 2022-23 i.e. on 26-05-2022, 19-01-2023, 08-03-2023

Name	Designation	No. of Meetings	
		Held	Attended
Sri. Sudhakar Kudva	Chairman	3	3
Sri. S. Chandra Sekhar	Member	3	3
Smt. S. Lalitha Sree	Member	3	3



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/payable for the year ended March 31, 2023 is as follows:

					₹ in lakhs
Name	Sitting Fees	Remuneration	Perquisites	Commission	Total
Independent Directors					
Sri. K S Raju	1.35	-	-	-	1.35
Sri. Sudhakar Kudva	2.45	-	-	-	2.45
Sri. Krishna Rao S V Gadepalli	2.15	-	-	-	2.15
Sri. Kishor Shah	0.95	-	-	-	0.95
Dr. G Aruna	1.55	-	-	-	1.55
Non-Executive Directors					
Smt. S Lalitha Sree	1.40	-	-	-	1.40
Whole Time Directors					
Sri. S Chandra Sekhar	-	135.00	9.72	69.61	214.33
*Sri. Ketan Chamanlal Budh	-	3.55	0.25	-	3.80

*the term of Sri Ketan Chamanlal Budh as a Whole Time Director of the company concluded on 13.05.2022 and he ceased to be a director on the Board of the company with effect from the close of office hours of May 13,2022

- 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 are 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 Employment	Sri S Chandra Sekhar, Managing Director
Period of Contract	5 years up to May 31, 2025
Severance fees/notice period	The employment 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 employees.

Shareholding of the directors as on 31st March, 2023

Name	Category	No of equity shares
Sri. S. Chandra Sekhar	Promoter, Executive Director	15,90,194
Smt. S. Lalitha Sree	Promoter, Non-Executive Director	76,470
*Sri. Ketan Chamanlal Budh	Whole Time Director	2

*the term of Sri Ketan Chamanlal Budh as a Whole Time Director of the company concluded on 13.05.2022 and he ceased to be a director on the Board of the company with effect from the close of office hours of May 13,2022.

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
2021-22	August 12, 2022	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.
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.

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

Financial Year	Date	Special Resolutions passed during last 3 AGM's
2021-22	August 12, 2022	<ul style="list-style-type: none"> To approve the revision in remuneration to be paid to Sri. S. Chandra Sekhar, Managing Director of the company
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

c. Postal Ballot

No special resolutions were passed through postal ballot during the year under review

During the last Financial year, the 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 company's 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: 00008477), 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 of the Company are intimated to the Stock Exchanges immediately after the Board Meeting at which they are approved. 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 Mana 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 shareholder's 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. The quarterly/annual Financial results are also

published in the newspapers. Annual Report containing, inter alia, Audited Standalone Financial Statements and Consolidated Financial Statements, Board's Report, Auditors' Report and other important information, is circulated to members and others entitled thereto. The document is also placed on the Company's website and submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

e. presentations made to institutional investors or to the analysts

During the year under review the company has not made any presentations to the 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 30th 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, August 04, 2023 at 11:00 a.m. through video conference/ other audio visual means
(b) Financial year	April 01, 2022 to March 31, 2023
(c) Dividend Payment date	The Board of Directors of the Company at their meeting held on May 13, 2023, have recommended a final dividend on equity shares at the rate of (30%) i.e. ₹3 (Rupees Three only) per equity share of face value of ₹10/- (Ten Rupees) for the Financial Year ended March 31, 2023 The final dividend, if approved, by the members at the 30 th AGM, would be paid within 30 days from the date of the AGM.



Book Closure	Friday, July 28, 2023 to Friday, August 04, 2023 (both days inclusive)
(d) Listing on stock exchanges	<p>i. BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001</p> <p>ii. National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051</p> <p>The annual listing fees for the year 2023-24 has been paid to the above stock exchanges.</p>
(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, 2022 to 31st March, 2023

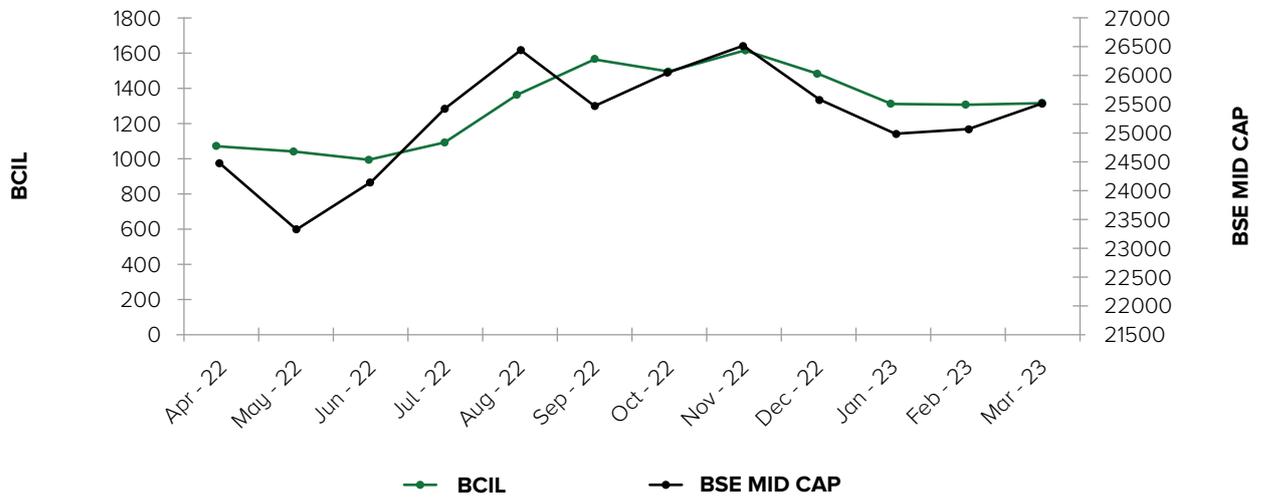
Month	Open Price	High Price	Low Price	Close Price
Apr-22	979.85	979.85	954.9	955.55
May-22	901.55	917	896.45	903.05
Jun-22	932	940.8	920	924.6
Jul-22	1029.15	1084	1029.1	1069.95
Aug-22	1337.75	1337.75	1298	1316.1
Sep-22	1306.5	1362.05	1300.1	1301
Oct-22	1398.95	1422.75	1384.15	1384.15
Nov-22	1399.9	1410.95	1399.9	1410.95
Dec-22	1250	1300	1234	1300
Jan-23	1299.95	1299.95	1203.6	1284
Feb-23	1015.9	1052	1015.9	1052
Mar-23	1194.4	1197.9	1177.05	1196.65

The monthly high and low price quotations of the company's shares at the National Stock Exchange Limited (NSE) during the period from 01st April, 2022 to 31st March, 2023.

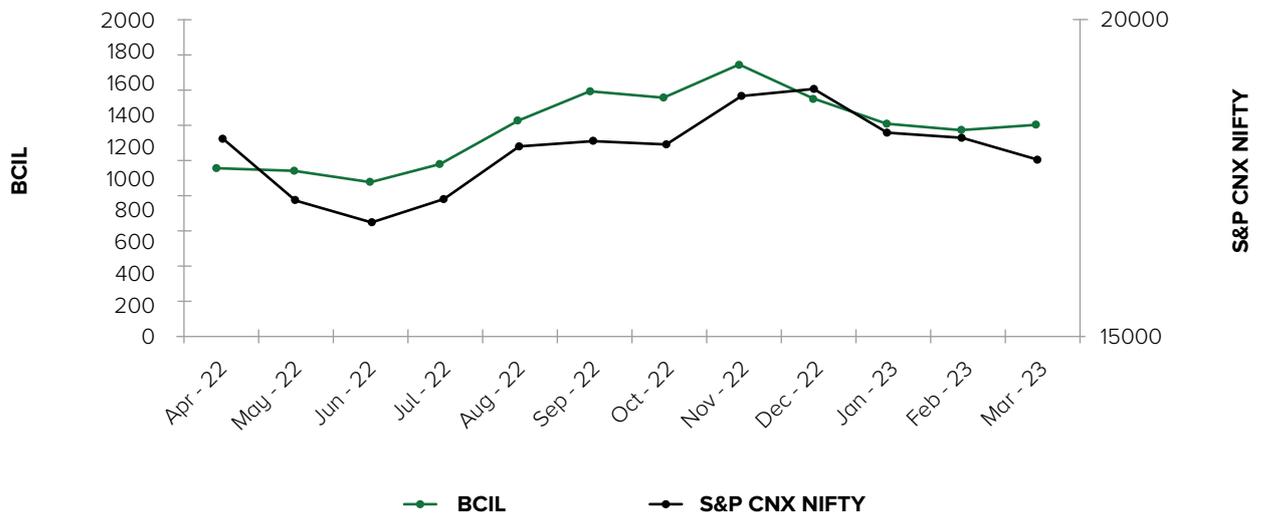
Month	Open Price	High Price	Low Price	Close Price
Apr-22	994.9	994.9	950	950.05
May-22	904.5	915	893.65	909.7
Jun-22	939.8	945	915.5	933.3
Jul-22	1,065.80	1,084.00	1,031.10	1,073.25
Aug-22	1,305.45	1,346.00	1,302.65	1,326.70
Sep-22	1,339.90	1,367.30	1,301.10	1,308.55
Oct-22	1,400.45	1,450.00	1,384.50	1,400.25
Nov-22	1,399.05	1,412.95	1,395.10	1,406.90
Dec-22	1,273.75	1,300.00	1,239.25	1,297.10
Jan-23	1,297.85	1,298.00	1,199.30	1,267.35
Feb-23	1,053.00	1,053.00	1,011.55	1,049.50
Mar-23	1,200.00	1,210.00	1,170.60	1,198.00

(g) Performance in comparison to broad- based indices

BCIL vs. BSE MID CAP



BCIL vs. S&P CNX NIFTY





(h) During the year under review, the shares of your Company are not suspended from trading by any of the stock exchanges 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
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, 2023

Sl. No.	Shareholding of nominal value (₹)	Number of shareholders	Percentage of shareholders	Amount of shareholding (₹)	Percentage of shares held
1	up to 5000	2964	86.97	1825330	1.75
2	5001-10000	162	4.75	1219000	1.17
3	10001-20000	108	3.17	1489200	1.43
4	20001-30000	31	0.91	766420	0.74
5	30001-40000	14	0.41	498020	0.48
6	40001-50000	17	0.50	780700	0.75
7	50001-100000	37	1.09	2681370	2.58
8	1,00,001 & above	75	2.20	94794790	91.10
	Total	3408	100.00	104054830	100.00

Shareholding Pattern as on March 31, 2023

Sl. No.	Description	No. of cases	Total Shares	% Equity
A. PROMOTERS				
1.	Promoters	7	1970541	18.94
2.	Promoters Bodies Corporate	1	476823	4.58
	A. Total shareholding of the Promoter and Promoter Group	8	2447364	23.52
B. PUBLIC				
3.	Foreign Portfolio Investors	1	10000	0.10
4.	Individuals –	3093	977350	9.39
	i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.			
5.	Individuals –	23	2859007	27.48
	ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.			
6.	Bodies Corporate	104	3902027	37.50
7.	Non Resident Indians	54	147298	1.42
8.	Clearing Members	6	77	0.00
9.	IEPF	1	19286	0.19
10.	H U F	118	43074	0.41
	B. Total Shareholding of Public	3400	7958119	76.48
	Total (A+B)	3408	10405483	100

Shareholding pattern of the Promoter and Promoter Group as on March 31, 2023

S. No	Name of the Director	No. of Shares held	Shares as a % of total number of Shares
1.	Singavarapu Chandrasekhar	1590194	15.28
2.	Eadara Jayalaxmi	247321	2.38
3.	Singavarapu Lalitha Sree	76470	0.73
4.	Kudaravalli Rama Krishna	30882	0.30
5.	T Kalyan Chakravarthi	12500	0.12
6.	K BABY (Deceased)	10000	0.10
7.	Potini Vijaya Lakshmi	3174	0.03
8.	Greenpath Energy Private Limited	476823	4.58
	Total	2447364	23.52

Promoter Reclassification

During the year under review, the following promoter/promoter group persons have been reclassified from 'Promoter and Promoter Group' category to "Public Category" in compliance with Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and on the basis of the approval sought by BSE Limited and National Stock Exchange of India Limited (NSE)

Sr. No	Name	Category
1.	Dodda Sadasivudu	Promoter
2.	Kudaravalli Sri Lakshmi	Promoter Group

After the above approval, the number of promoters and promoter's group of the company during the year under review had been reduced from 10 No's to 8. No's

Details of Shareholding in physical mode and electronic mode as on 31st March, 2023

S. No	Description	No of shares	% of equity
1	Physical	4,016	0.04
2	NSDL	74,68,800	71.78
3	CDSL	29,32,667	28.18
	Total	1,04,05,483	100.00

Categories of Shareholding as on 31st March 2023

Category	No. of shares held	No. of shareholders	% to Equity
Promoters & Promoter group	2447364	8	23.52
Public	7958119	3400	76.48
Total	1,04,05,483	3408	100.00

(I) Dematerialization of Shares and liquidity

99.96% of the Company's paid-up Equity share capital has been dematerialised as on March 31, 2023. The total holdings of shares of promoters/Promoter group 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	8	2447364	8	2447364	100%
Public	3400	7958119	3388	7954103	99.94%
Total:	3408	1,04,05,483	3396	10401467	



(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

CheruvukommuPalem (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	41.50	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)	August 29, 2022
	Short Term Bank Facilities	43.50	CARE A2 (A TWO)	

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, 2023. No personnel have 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 Mana 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 audit Report	The Statutory Auditors of the company have issued a unmodified opinion on the financial statements of the company for the FY 2022-23
c	Separate post of Chairman	The Company has a separate post of Chairman
d.	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 which they have observed during their Audit along with follow up actions taken by the management. The internal auditor directly reports to the audit committee.
e.	Other Non-Mandatory Requirements:	The Company would be progressively adopting the other non-mandatory requirements

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/>

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/>

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-III (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 on a consolidated basis:

The particulars of payment of Statutory Auditors' fees are given below:

₹ in lakhs.

Particulars	Bhagiradha Chemicals and Industries Limited	Bheema Fine Chemicals Private Limited (WOS)
Statutory Auditor	R Kankaria & Uttam Singhi, Chartered Accountants (FRN. No.000442S)	S. Singhvi & Co., Chartered Accountants (FRN. 003872S)
Statutory Audit fee	10.00	0.50
Tax Audit	-	-
GST Audit	-	-
Total	10.00	0.50

**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. During the year under review, the Company has not received any complaint and no complaints 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:

Sr. 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

n. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

Bheema Fine Chemicals Private Limited, Wholly Owned Subsidiary Company shall be considered to be a Material Subsidiary of the company with effect from April 01, 2023 (being the net worth of Bheema Fine Chemicals Private Limited exceeding ten percent of the consolidated net worth of the company) as per Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Date and Place of Incorporation: 22/07/2020; Telangana, Hyderabad.

Name and date of appointment of the statutory auditors: S. Singhvi & Co., Chartered Accountants (FRN. 003872S) were appointed as the Statutory Auditors of Bheema Fine Chemicals Private Limited on August 03, 2021

12. Discretionary requirements as specified in Part E of Schedule II

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.'

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 Mana 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 audit Report	The Statutory Auditors of the company have issued a unmodified opinion on the financial statements of the company for the FY 2022-23
c	Separate post of Chairman	The Company has a separate post of Chairman
d.	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 which they have observed during their Audit along with follow up actions taken by the management. The internal auditor directly reports to the audit committee.
e.	Other Non-Mandatory Requirements:	The Company would be progressively adopting the other non-mandatory requirements

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:

S. 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.	Corporate governance requirements with respect to subsidiary of listed entity	24	Yes
9.	Obligations with respect to Independent Directors	25	Yes
10.	Obligations with respect to employees including senior management, key managerial persons, directors and promoters	26	Yes
11.	Other Corporate Governance requirements	27	Yes
12.	Website	46(2)	Yes

Statement of deviation

During the period under review, the company has submitted to the stock exchanges where the shares of the company are listed, a statement of deviation, stating that there is no deviation or variation in the utilization of Rights Issue proceeds after the same has been reviewed by the Audit Committee and Board till such time the issue proceeds have been fully utilised as per the provisions of Regulation 32 of SEBI (LODR) Regulations, 2015,

The funds raised through the Rights Issue; allotment dated May 10, 2022, were utilized for the objects and purposes for which they have been raised and there has been no deviation.

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, 2023.

Compliance Certificate from the Auditors

Certificate from Statutory Auditors of the Company, R Kankaria & Uttam Singhi, Chartered Accountants (FRN. No.000442S), 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 at their e-mail address registered with the Depository Participants ('DPs') and RTA. 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.

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

Transfer of Un-Claimed Dividends/Shares

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and read with The Investor Education and Protection



Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, dividend which remains unclaimed for consecutive 7 (seven) years from the date of transfer to unclaimed dividend account shall be transferred to the Investor Education and Protection Fund ("IEPF") Authority. The following are the year wise dividends remaining unclaimed as on 31.03.2023

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2023 (In ₹.)	Due Date for transfer to IEPF
2018-19	09-08-2019	62,246.00	13-09-2026
2021-22 (interim dividend)	30-10-2021	7961.80	30-11-2028
2021-22 (Final Dividend)	12-08-2022	6134.40	12-09-2029
2022-23 (interim dividend)	04-11-2022	8730.66	04-12-2029

Nomination Facility

Shareholders whose shares are in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Act, may submit to RTA the prescribed Forms SH-13/SH-14. Further, shareholders who want to opt out of the nomination, may submit Form ISR-3, after cancelling his existing nomination, if any, through Form SH-14. The Nomination Form can be downloaded from the Company's website at <https://www.bhagirad.com/reports/cg/others/investorcomm.pdf>

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, e-mail IDs, nomination and power of attorney should be given directly to their respective DP.

Shares held in Physical Form

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, e-mails IDs, nomination and power of attorney should be given to the Company's RTA i.e., XL Softech Systems Limited in prescribed Form No. ISR-1 or other applicable forms.

Mandatory Bank details for Payment of Dividend

As per Regulation 12 of the SEBI Listing Regulations, the Company is providing the facility for payment of dividend through electronic mode permissible by the Reserve Bank of India. The dividend amount will thereby directly be credited to the Member's bank account, maintained with Registrar and Transfer Agents in case of shares held in physical mode or maintained with the Depository Participants in case of shares are held in demat mode. This facility ensures speedier credit of the dividend amount and eliminates the risk of loss / interception of dividend warrants in postal transit and / or fraudulent encashment of Dividend warrants. Members are requested to avail of the facility by registering their complete and correct bank details viz. name of the Bank, full address of the branch, core banking account number and account type, 9-digit MICR and 11 digits IFSC against the bank account. The request for registration of the Bank details should be accompanied by an original cancelled cheque bearing the name of the first shareholder as the account holder and should be sent to XL Softech Systems Limited, Registrar and

Transfer Agents of the (in case of shares held in physical mode) and Depository Participants (in case shares held in demat mode).

Norms for furnishing of PAN, KYC, Bank details and Nomination

Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, SEBI has mandated all holders of physical securities in listed companies to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA.

The securities in the frozen folios shall be eligible:

- To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updation of PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, ISR 4, SH-13, SH-14 are available on the website of the company at <https://www.bhagirad.com/reports/cg/others/investorcomm.pdf>

In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest.

The Company had despatched letters through registered post to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

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

The company has constituted a Risk Management Committee of the Board of Directors to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. 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) 23545913/14
Fax (040) 23553214
Email: xlfield@gmail.com;

Investor Correspondence:

Registered Office Address:

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,
Website : www.bhagirad.com

Factory Address:

Yerajala Road,
Cheruvukommupalem Village - 523272,
Ongole Mandal,
Prakasam District,
Andhra Pradesh, India

Company Secretary & Compliance Officer:

Smt. Sharanya. R
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 : 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, 2023.

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

K S Raju
Chairman
DIN No.: 00008177

S Chandra Sekhar
Managing Director
DIN No.: 00159543

Place: Hyderabad
Date: May 13, 2023



CEO & CFO Certification

(As per Regulation 17(8) of SEBI (LO&DR) Regulations, 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 Officer 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, 2023 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 for financial reporting and we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting 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 13, 2023

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, 2023, 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.

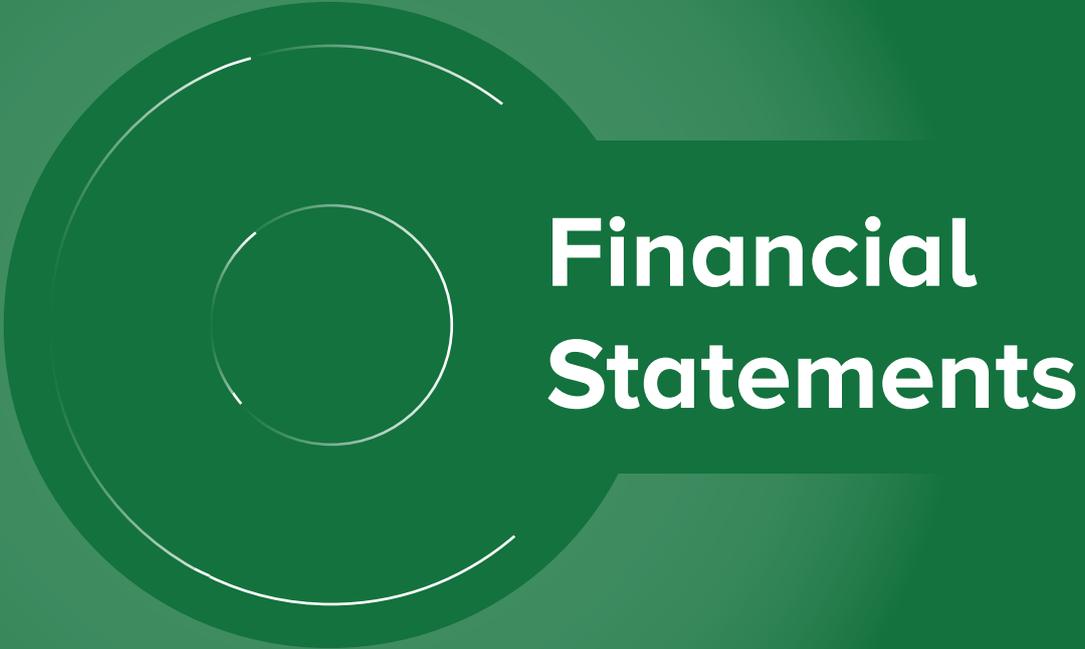
In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations.

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 R Kankaria & Uttam Singhi
Chartered Accountants
ICAI Firm Regi. No.000442S

Rajendra Kankaria
Partner
Membership No. 022051/ICAI
UDIN No.: 23022051BGYMMF2909

Place: Hyderabad
Date: 13.05.2023



Financial Statements

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, 2023, 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, 2023 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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.	Valuation of inventories	
	<p>a) Inventories represent a significant portion of total assets as at March 31, 2023. The Company writes down inventories to net realisable value on account of quality, shelf life and non or slow moving inventories, based on the management’s assessment. Assessing net realizable value and identification of quality, non or slow moving inventories are areas which require use of significant judgements and owing to the inherent complexities.</p> <p>b) 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.</p> <p>Therefore, it has been considered as a key audit matter.</p>	<p>Our principal procedures included the following, but were not limited to:</p> <p>a) Evaluated the design and tested operating effectiveness of internal controls over inventory valuation. Tested the valuation of inventories, on sample basis by comparing the value of raw materials with the underlying supporting documents. For work in process and manufactured finished goods, verified the bill of materials and tested overhead absorption;</p> <p>b) Evaluated the design of internal controls relating to the management judgments and estimates relating to quality, purity, fair value less costs to sell and also tested the operating effectiveness of the aforesaid controls.</p> <p>c) Understood and evaluated the process relating to determination of net realizable value of inventories and identification of quality, shelf life of inventories;</p> <p>d) Obtained age wise analysis of inventories, and evaluated the adequacy of write-down of inventories provided by the management;</p> <p>e) Obtained the market information for the fair values and compared them with the rates considered by the management in determining the fair values.</p> <p>and</p> <p>f) Assessed the appropriateness of disclosures in standalone financial statements in accordance with the applicable accounting standards.</p>



Information Other than the Standalone 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 Standalone 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 Standalone 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.

Other Matter

The standalone financial statement of the Company for the year ended 31 March 2022 has been audited by the predecessor auditor whose report dated 26th May 2022 had expressed an unmodified opinion. Our conclusion is not modified in respect of this matter.

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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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, 2023.
 - 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 final dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with Section 123 of the Companies Act, 2013
- (b) 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.
- (c) The Board of Directors have 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.
- vi. Proviso to Rule 3(l) of companies (Accounts) Rule, 2014 for maintaining of books of accounts using accounting software which has feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to companies, which are incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit & Auditor) Rule, 2014 is not Applicable for the Financial year ended March 31, 2023

For **R Kankaria & Uttam Singhi**

Chartered Accountants

ICAI Firm Regi. No.000442S

Rajendra Kankaria

Partner

Membership No.: 022051/ICAI

UDIN No.: 23022051BGYMMD6033

Place: Hyderabad

Date: 13.05.2023

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 and coverage and procedure of such verification is appropriate. 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 ₹ 4150.00 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. 48 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 ₹ 3040.00 Lakhs and balance outstanding as at balance sheet date is ₹ Nil.
- 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 loans 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 ₹ 3040.00 Lakhs which is 100 % of the total loan granted and balance outstanding as at balance sheet date is ₹ Nil.
- 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, 2023. 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
Income Tax Act, 1961	Income Tax	71.50	A Y 2010-11	Commissioner of Income Tax (Appeals)
Telangana Tax in	Entry Tax	3.75	2012-13	High Court for the State of Telangana
Entry of Goods into	Entry Tax	8.64	2013-14	High Court for the State of Telangana
Local Areas Act, 2001	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 is pending (awaiting the formation of Tribunal)

- 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 wilful 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 taken term loan during the year and has applied the funds for the purpose for which the loans were obtained.
- 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. However the company has raised the money by way of rights issue and in our opinion and according to the information and explanations given by the management, the Company has utilised the monies raised by way of rights issue of equity shares for the purposes for which they were raised.
- xi) 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. 50

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 no 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 **R Kankaria & Uttam Singhi**

Chartered Accountants

ICAI Firm Regi. No.000442S

Rajendra Kankaria

Partner

Membership No.: 022051/ICAI

UDIN No.: 23022051BGYMMD6033

Place: Hyderabad

Date: 13.05.2023



Report on Internal Financial Controls Over Financial Reporting

Annexure “B” to the Independent Auditor’s Report

of even date on the Standalone financial statements of Bhagiradha Chemicals and 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, 2023 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, 2023, 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 **R Kankaria & Uttam Singhi**

Chartered Accountants

ICAI Firm Regi. No.000442S

Rajendra Kankaria

Partner

Membership No.: 022051/ICAI

UDIN No.: 23022051BGYMMD6033

Place: Hyderabad

Date: 13.05.2023



Standalone Balance Sheet

as at 31st March, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Note	As at 31-03-2023	As at 31-03-2022
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	16388.94	14878.63
Capital Work - in - Progress	4	562.54	303.30
Other Intangible Assets	5	12.62	23.02
Intangible Assets under Development	6	33.11	29.81
Financial Assets			
Investments	7	4200.00	900.00
Other Financial Assets	8	644.04	576.93
Other Non Current Assets	9	73.81	66.40
Total Non Current Assets		21915.06	16778.08
Current assets			
Inventories	10	9131.74	6793.33
Financial Assets			
Trade receivables	11	12876.52	9658.86
Cash and cash equivalents	12	216.67	218.17
Bank balances other than cash and cash equivalents	13	94.17	83.21
Loans	14	.00	40.49
Other Financial Assets	15	22.81	13.50
Current Tax Assets (Net)	16	11.94	1.03
Other Current Assets	17	366.53	613.54
Total Current Assets		22720.39	17422.14
Total Assets		44635.45	34200.22
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	18	1040.55	833.43
Other Equity	19	30440.28	18183.65
Total Equity		31480.83	19017.07
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	20	1657.19	1003.01
Other Financial Liabilities	21	106.73	121.98
Provisions	22	.00	3.75
Deferred tax Liabilities (Net)	23	1506.10	797.90
Total Non Current Liabilities		3270.02	1926.64
Current Liabilities			
Financial Liabilities			
Borrowings	24	3339.97	7051.47
Trade payables	25		
a) Total Outstanding dues of Micro and Small enterprises		398.80	404.98
b) Total Outstanding dues of Trade Payables other than Micro and Small enterprises		5465.38	5053.64
Other Financial Liabilities	26	395.53	577.23
Other current liabilities	27	215.04	48.80
Provisions	28	69.88	45.76
Current Tax Liabilities (Net)	29	.00	74.62
Total Current Liabilities		9884.60	13256.51
Total Liabilities		13154.62	15183.15
Total Equity & Liabilities		44635.45	34200.22
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of the standalone financial statements	3 to 66		

As per our report of even date

For **R Kankaria & Uttam Singh**
Chartered Accountants
Firm Registration No: 000442S**Rajendra Kankaria**

Partner

Membership No.: 022051/ICAI

Place : Hyderabad

Date : 13.05.2023

For and on behalf of the Board of Directors

Bhagiradha Chemicals & Industries Limited
(CIN: 24219TG1993PLC015963)**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

Standalone Statement Of Profit & Loss

 for year ended 31st March, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
I. Income:			
Revenue from Operations	30	50209.13	43566.74
Other Income	31	184.38	87.07
Total Income (I)		50393.50	43653.81
II Expenses:			
Cost of Materials Consumed	32	33698.70	27174.61
Purchase of stock in trade		41.22	374.05
Change in inventories of finished goods and Work in progress	33	(2398.55)	120.89
Employee benefits expense	34	2953.83	2387.53
Financial costs	35	497.95	907.80
Depreciation and amortization expense	36	966.63	864.89
Other expenses	37	8129.57	6677.73
Total Expenses (II)		43889.36	38507.50
III Profit/(Loss) Before Exceptional Items and Tax (I-II)		6504.15	5146.31
Exceptional Items		.00	.00
IV Profit/(Loss) After Exceptional Items and Before Tax		6504.15	5146.31
V Tax expense:	40		
Current tax		1109.32	881.10
MAT Credit Utilisation		556.52	465.82
Deferred tax charge/ (credit)		196.81	206.51
Earlier years Tax		.50	2.63
		1863.15	1556.06
VI Profit/(Loss) for the year		4640.99	3590.26
Other Comprehensive Income	38		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement gain / (loss) on employees defined benefit plan		(154.99)	(103.40)
Deferred tax credit on above		45.13	30.11
Total other Comprehensive Income, net of tax		(109.86)	(73.29)
Total Comprehensive Income for the year, net of tax		4531.14	3516.97
Earning per equity share of ₹ 10/- each fully paid:	41		
Basic (Annualised) (₹)		45.58	43.21
Diluted (Annualised) (₹)		45.58	43.21
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of the standalone financial statements	3 to 66		

As per our report of even date

For and on behalf of the Board of Directors

For **R Kankaria & Uttam Singhi**
Chartered Accountants
Firm Registration No: 000442S

Bhagiradha Chemicals & Industries Limited
(CIN: 24219TG1993PLC015963)

Rajendra Kankaria
Partner
Membership No.: 022051/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 13.05.2023

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary



Standalone Cash Flow Statement

for the year ended 31st March, 2023

(Amount In Indian Rupees In Lakhs Unless Otherwise Stated)

Particulars	As at 31-03-2023	As at 31-03-2022
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit Before Tax	6504.15	5146.31
Adjustments for :		
Depreciation and amortization expenses	966.63	864.89
Loss on sale of property, plant & equipment	.47	7.61
Interest paid	241.59	518.57
Interest income and notional income	(108.36)	(44.00)
Provision for bad and doubtful debts	.00	11.60
Net unrealised foreign exchange loss / (gain)	(25.55)	(17.34)
Gratuity and compensated absence	81.83	56.15
Operating profit before working capital changes	7660.75	6543.79
Changes in working capital :		
(Increase)/Decrease in inventories	(2338.42)	(1755.78)
(Increase)/Decrease in trade receivable	(3217.66)	(3701.54)
(Increase)/Decrease in other financial and non financial assets	183.59	(397.67)
Increase/(Decrease) in trade payable	405.56	822.24
Increase/(Decrease) in other financial, non financial liabilities & provisions	(210.46)	(34.19)
Cash generated from operations	2483.37	1476.85
Direct taxes paid (Net of refund)	(1194.43)	(805.00)
Net cash flow from/(used in) operating activities (A)	1288.94	671.85
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment (tangible & intangible both), capital work in progress and capital advances	(2757.16)	(1587.34)
Proceeds from sale of property, plant and equipments	10.52	57.33
Investments in subsidiary company	(3300.00)	(99.00)
Loan received back from / given to subsidiary company	40.49	(40.49)
Investment in or redemption of bank and margin money deposit (having original maturity of more than 12 months)	(12.75)	(17.32)
Investment in or redemption of bank and margin money deposit (having original maturity of more than 3 months)	(11.15)	(55.47)
Interest received	93.12	28.76
Net cash flow used in investing activities (B)	(5936.93)	(1713.54)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of equity share capital (Net of rights issue expenses)	8244.78	-
Proceeds/(Repayment) of long term borrowings (Net)	654.18	(918.91)
Proceeds/(Repayment) of short term borrowings (Net)	(3711.50)	2739.80
Dividend Paid	(312.16)	(83.10)
Interest paid	(227.39)	(504.57)
Net cash used in financing activities (C)	4647.91	1233.22
Effect of exchange differences on translation of balance in EEFC account - cash and cash equivalents (D)	(1.42)	(2.85)
Net Increase/(decrease) in cash and cash equivalents (A+B+C+D)	(.08)	191.53
Cash and cash equivalents at the beginning of the year	218.17	29.49
	216.67	218.17
Cash and cash equivalents includes		
Balances with banks		
In current accounts	215.88	217.53
Cash on hand	0.79	0.65
Total cash and bank balances at the end of year	216.67	218.17

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 **R Kankaria & Uttam Singh**
Chartered Accountants
Firm Registration No: 000442S

For and on behalf of the Board of Directors
Bhagiradha Chemicals & Industries Limited
(CIN: 24219TG1993PLC015963)

Rajendra Kankaria
Partner
Membership No.: 022051/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 13.05.2023

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary

Statement of Changes In Equity

 for the year ended 31st March 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

a Equity Share Capital

Particulars	As at 31-03-2023	
	No. of shares	Amount
For the year ended 31st March 2023		
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at April 01, 2022	83,09,700	830.97
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2022	83,09,700	830.97
Changes in equity share capital during the current year	20,95,783	209.58
Balance as at March 31, 2023	1,04,05,483	1040.55

Particulars	As at 31-03-2022	
	No. of shares	Amount
For the year ended 31 March 2022		
Equity shares of ₹ 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

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, 2022	5524.76	902.74	11728.03	28.11	18183.65
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 01, 2022	5524.76	902.74	11728.03	28.11	18183.65
Add: Profit for the year transferred to retained earnings	-	-	4640.99	-	4640.99
Add: Other Comprehensive Income for the year :					
Remeasurement of employees defined benefit plans	-	-	-	(154.99)	(154.99)
Deferred tax on above	-	-	-	45.13	45.13
Add: Share premium received during the year	8173.55	-	-	-	8173.55
Add : Forfeiture of Shares - transfer from share capital (Refer note no. 18.7)	2.46	-	-	-	2.46
Less: Rights Issue Expenses	(138.35)	-	-	-	(138.35)
Less : Equity Dividend (refer note no. 18.8)	-	-	(312.16)	-	(312.16)
As at March 31, 2023	13562.42	902.74	16056.86	(81.74)	30440.28



Statement of Changes In Equity

for the year ended 31st March 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

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
Less : Equity Dividend (refer note no. 18.8)	-	-	(83.10)	-	(83.10)
As at March 31, 2022	5524.76	902.74	11728.03	28.11	18183.65
Summary of Significant Accounting Policies	1 to 2				
The accompanying notes are an integral part of the standalone financial statements	3 to 66				

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 **R Kankaria & Uttam Singhi**
Chartered Accountants
Firm Registration No: 000442S

For and on behalf of the Board of Directors
Bhagiradha Chemicals & Industries Limited
(CIN: 24219TG1993PLC015963)

Rajendra Kankaria
Partner
Membership No.: 022051/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 13.05.2023

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(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 Hyderabad (Telangana). It is incorporated under the Companies Act and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. It has got its manufacturing facility in Ongole, Prakasam District of Andhra Pradesh and is engaged in manufacture of Crop Care Chemicals.

2. Significant accounting policies

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

2.1 Basis of preparation and compliance with IND AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The accounting policies are applied consistently to all the years presented in the standalone financial statements.

The Standalone Financial statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by 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

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

2.2 Uses of Estimates & judgments

The preparation of Financial Statements in conformity with the generally accepted accounting principles requires

management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements and reviewed on an ongoing basis. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods. Refer Note 2.27 for detailed discussion on Significant accounting judgments, estimates and assumptions.

2.3 Measurement of Fair Values

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

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

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

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

2.4 Property Plant and Equipment and Depreciation

- a) Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

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 property, plant and equipment not ready for their intended use and related incidental expenses and attributable interest.
- d) Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as "Other Non-Current Assets".
- e) Expenditure during construction period:

Expenditure (direct & indirect) incurred during 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.

- f) The estimated useful life of assets are as follows:

Building	03 - 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

- g) The accounting policy related to Leases has been disclosed in Note 2 (13).
- h) Depreciation on tangible 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.
- i) 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.
- j) The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted

for as a change in accounting estimate on a prospective basis.

- k) An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

2.5 Intangible Assets

- a) Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses, if any.
- b) Subsequent expenditure related to an item of intangible assets is added to its book value, only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- c) In respect of Intangible fixed assets amortised on straight line basis - Technical know how over a period of their useful life of 4 years. 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 derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- e) Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

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

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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 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., 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 directly attributable to acquisition and construction of assets that necessarily takes substantial period of time are capitalised as part of the cost of such assets up to the date when such assets are ready for intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.8 Research and Development Cost

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

2.9 Non Current Assets held for Sale

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.

Non-current assets (or disposal group) held for sale are measured "higher of an asset's fair value less costs of disposal and its value in use. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

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 conversion 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 /



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(loss) before tax is adjusted for the effects of transactions of non cash nature and deferrals of accruals of past or future cash receipts or payments. The cash flows from operating, Investing and financing activities of the Company are segregated based on the available information.

2.13 Leases

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

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

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

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment/primary period of lease. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

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

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

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

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

2.14 Revenue Recognition

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

2.15 Income Tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax

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effects of timing differences between accounting income and taxable income for the period) and Minimum Alternate Tax (MAT) credit entitlement.

a) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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 other 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.

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

2.16 Employees Benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other long-term employee benefit obligations

I. Defined contribution plans

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employees' State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

II. Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a



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lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

The gratuity benefit is funded with the Life Insurance Corporation of India (LIC).

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

The compensated absences scheme is funded with the Life Insurance Corporation of India (LIC)."

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 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 is made but disclosed in the notes.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

2.19 Government Grants

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

2.20 Earnings per Shares

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

2.21 Operating Cycles

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products/ activities of

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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 other equity as a deduction, net of tax, from the proceeds.

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 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.25 Financial Instruments

a) Financial Assets

i) Recognition and initial measurement

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

ii) Subsequent measurement

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

Financial assets at amortised cost

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

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

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and

impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial assets at fair value through profit (FVTPL)

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

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

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

iii) Derecognition

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

iv) Impairment of Financial Assets

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

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

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



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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.

2.26 Investments in subsidiary

Investment in subsidiary are measured at cost less impairment loss, if any.

Where an indication of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

2.27 Significant accounting judgments, estimates and assumptions

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 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.

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.

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The Company 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 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 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.

2.28 Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices. Unallocable items include general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

2.29 Standards (including amendments) issued but not yet effective

Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

2.30 Standards that became effective during the year

There are no new Standards that became effective during the year.

2.31 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.



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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, 2022	440.46	2119.86	17216.25	1704.09	43.77	63.85	31.08	71.22	21690.58
Additions	-	79.84	2207.18	130.24	3.78	2.93	20.22	43.01	2487.21
Deductions / Adjustments	9.68	-	22.73	11.47	-	-	-	-	43.88
Balance as at March 31, 2023	430.78	2199.69	19400.70	1822.86	47.55	66.79	51.30	114.23	24133.91
Accumulated Depreciation									
Opening Accumulated depreciation	-	652.66	5050.35	953.07	28.71	48.04	15.76	63.35	6811.95
Depreciation charge during the year	-	66.58	746.64	119.82	2.22	5.44	10.08	5.46	956.23
Disposal/Adjustments	-	-	14.49	8.72	-	-	-	-	23.21
Closing Accumulated depreciation	.00	719.24	5782.49	1064.17	30.93	53.48	25.84	68.82	7744.97
Net Carrying amount as at 31.03.2023	430.78	1480.45	13618.21	758.69	16.62	13.31	25.47	45.41	16388.94
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

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 20 and 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, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

4 CAPITAL WORK IN PROGRESS (Assets under installation)

Particulars	Buildings	Plant and equipment	Electrical Installations	Total Capital Work in progress
As at April 01, 2022	-	300.95	2.35	303.30
Additions	213.73	2320.40	142.37	2676.50
Deductions / Capitalised	79.84	2207.18	130.24	2417.26
As at March 31, 2023	133.89	414.17	14.48	562.54
As at April 01, 2021	-	120.68	-	120.68
Additions	91.56	1349.76	70.84	1512.15
Deductions / Capitalised	91.56	1169.49	68.49	1329.54
As at March 31, 2022	-	300.95	2.35	303.30

4.1 Capital Work in Progress - Ageing Schedule :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
AS AT 31-03-2023					
Project in Progress					
Capital Expenditure related to Buildings	133.89	-	-	-	133.89
Capital Expenditure related to Plant and equipment	414.17	-	-	-	414.17
Capital Expenditure related to Electricals installations	14.48	-	-	-	14.48
Total	562.54	-	-	-	562.54

Particulars	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 Buildings	-	-	-	-	-
Capital Expenditure related to Plant and equipment	300.95	-	-	-	300.95
Capital Expenditure related to Electricals installations	2.35	-	-	-	2.35
Total	303.30	-	-	-	303.30

5 OTHER INTANGIBLE ASSETS

Particulars	Computer Software	Technical Know How	Product Registration	Total Intangible Assets
Gross carrying value				
Balance as at April 01, 2022	1.79	40.70	50.73	93.22
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2023	1.79	40.70	50.73	93.22
Amortisation				
As at April 01, 2022	1.72	40.70	27.78	70.20
Charge for the year	-	-	10.40	10.40
Disposal	-	-	-	-
As at March 31, 2023	1.72	40.70	38.18	80.59
Net Carrying amount as at 31.03.2023	.07	.00	12.55	12.62



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

5 OTHER INTANGIBLE ASSETS (Contd..)

Particulars	Computer Software	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

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, 2022	29.81	29.81
Additions	3.30	3.30
Deductions	-	-
As at March 31, 2023	33.11	33.11
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

6.1 Capital Work in Progress - Ageing Schedule :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
AS AT 31-03-2023					
Project in Progress					
Product Registration	3.30	21.41	-	8.40	33.11
Total	3.30	21.41	-	8.40	33.11

Particulars	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

6.1.a. Intangible Assets under Development as at 31st March 2023 and 31st March 2022 comprise expenditure for the development and registration of product, considering there are no stipulated timelines for completion of registration activities.

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

7 FINANCIAL ASSETS - INVESTMENTS

Particulars	As at 31-03-2023	As at 31-03-2022
Investments in Equity Instruments (Unquoted)		
Investments in Subsidiary (Valued at cost unless stated otherwise)		
Bheema Fine Chemicals Private Limited		
(420,00,000 Equity Shares (Previous Year 90,00,000 Equity Shares) face value of ₹ 10/- each per Share)	4200.00	900.00
Total	4200.00	900.00

8 OTHER FINANCIAL ASSETS

Particulars	As at 31-03-2023	As at 31-03-2022
Non Current		
Security Deposits	374.21	319.85
Balances with Banks:		
In Margin Money accounts with maturity for more than 12 months from balance sheet date.*	174.77	172.01
In Fixed deposit accounts with maturity for more than 12 months from balance sheet date.	71.02	66.98
Interest accrued on margin money & fixed deposits	24.04	18.09
Total	644.04	576.93

*Under lien against letter of credit and bank guarantee

9 OTHER NON CURRENT ASSETS

Particulars	As at 31-03-2023	As at 31-03-2022
Unsecured - considered good unless otherwise stated		
Capital Advances	73.81	66.40
Total	73.81	66.40

10 INVENTORIES

Particulars	As at 31-03-2023	As at 31-03-2022
Valued at Cost or net realisable value whichever is lower		
Raw Materials	1668.40	2560.95
Raw Materials in bonded ware house	1547.43	990.06
Work in progress	1704.56	1044.01
Finished Goods	3534.95	1796.95
Packing Materials	32.39	36.51
Coal & Fuel	313.45	80.18
Stores, spares & consumables	330.56	284.67
Total	9131.74	6793.33

10.1 The above inventories stand hypothecated in favour of banks against short term-borrowings. (Refer note no 24)



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

11 TRADE RECEIVABLE

Particulars	As at 31-03-2023	As at 31-03-2022
Unsecured:		
Considered good	12876.52	9658.86
Which have significant increase in credit risk	.00	.00
Credit impaired	.00	11.60
	12876.52	9670.46
Less : Allowance for bad and doubtful debts - Credit impaired	.00	11.60
Total	12876.52	9658.86

11.1 Receivables 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 31.03.2023. As on 31.03.2022, a receivable amount of ₹ Nil was due under this category.

11.2 Trade receivables are non - interest bearing and generally on terms of 30 to 180 days

11.3 Refer Note 24 for details of security charge on Trade receivables.

11.4 Ageing of trade receivables (Unsecured - Current) :

As at 31.03.2023

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	10085.22	2791.30	-	-	-	-	12876.52
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-

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	-	-	-	-	-	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

12 CASH & CASH EQUIVALENTS

Particulars	As at 31-03-2023	As at 31-03-2022
Balances with banks in current accounts	5.37	15.77
Balances with banks in EEFC accounts	210.50	201.75
Cash on hand	.79	.65
Total	216.67	218.17

13 OTHER BANK BALANCES

Particulars	As at 31-03-2023	As at 31-03-2022
Margin Money with original maturity of more than 3 months but less than 12 months *	92.71	81.56
Balances with banks in unclaimed dividend accounts	.85	1.65
Others - PGSI Card	.61	-
Total	94.17	83.21

*Under lien against letter of credit and bank guarantee

14 CURRENT FINANCIAL ASSETS - LOANS

Particulars	As at 31-03-2023	As at 31-03-2022
Unsecured, considered good		
Loan to Subsidiary	-	40.49
Total	-	40.49

15 OTHERS FINANCIAL ASSETS

Particulars	As at 31-03-2023	As at 31-03-2022
Current (Unsecured - considered good unless otherwise stated)		
Staff Advances	9.38	3.19
Accrued Interest on deposits	13.43	10.31
Total	22.81	13.50

16 CURRENT TAX ASSETS (NET)

Particulars	As at 31-03-2023	As at 31-03-2022
Income tax refund receivable (Net of provision)	11.94	1.03
Total	11.94	1.03

17 OTHER CURRENT ASSETS

Particulars	As at 31-03-2023	As at 31-03-2022
Current (Unsecured - considered good unless otherwise stated)		
Advance to suppliers	90.13	100.74
Advance towards expenses	41.73	21.71
Prepaid Expenses	174.06	136.71
Paid towards Rights issue expenses (Adjusted against rights issue proceeds)	-	50.32
Balance with statutory/Government Authorities	60.61	297.59
Excess of plan assets over obligations	-	6.48
Total	366.53	613.54



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

18 EQUITY SHARE CAPITAL

Particulars	As at 31-03-2023	As at 31-03-2022
Authorised		
15,000,000 Equity Shares of ₹ 10/- each	1500.00	1500.00
Total	1500.00	1500.00
Issued & Subscribed		
1,04,54,583 (Previous Year 83,58,800) Equity Shares of ₹ 10/- each with Voting Rights Fully Paid up	1045.46	835.88
	1045.46	835.88
Paid up		
1,04,05,483 (Previous Year 83,09,700) Equity Shares of ₹ 10/- each with Voting Rights Fully Paid up	1040.55	830.97
Add: Forfeited shares (amount originally paid up) (Refer note no. 18.7)	-	2.46
Total	1040.55	833.43

18.1 RECONCILIATION OF NUMBER OF SHARES:

Particulars	As at 31-03-2023	As at 31-03-2022
Number of Equity Shares at the beginning of the year	83,09,700	83,09,700
Add: Number of shares issued during the year	20,95,783	-
Number of Equity Shares at the end of the year	1,04,05,483	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 31-03-2023	As at 31-03-2022
	Number of Shares	Number of Shares
Greenpath Energy Private Limited	4,76,823	3,86,000

18.4. DETAILS OF SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY :

Particulars	As at 31-03-2023		As at 31-03-2022	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹ 10/- each held by:				
Sri. Singavarapu Chandra Sekhar	15,90,194	15.28%	12,87,300	15.49%
Ratnabali Investment Private Limited	14,49,457	13.93%	11,59,140	13.95%
Sri. R Venkata Narayana	6,27,305	6.03%	6,28,497	7.56%
Rajasthan Gum Private Limited	5,09,543	4.90%	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.

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

18 EQUITY SHARE CAPITAL (Contd..)

18.4.2 DETAILS OF SHARES HELD BY PROMOTERS AT THE END OF THE YEAR :

18.4.2 (a) As at 31.03.2023

Promoter Name	No. Of shares	% of Total Shares	% of change during the year
Sri. Singavarapu Chandra Sekhar	15,90,194	15.28%	(0.21%)
Greenpath Energy Private Limited	4,76,823	4.58%	(0.06%)
Smt. Edara Jayalaxmi	2,47,321	2.38%	(0.03%)
Smt. Singavarapu Lalitha Sree	76,470	0.73%	0.01%
Sri. Kudaravalli Rama Krishna	30,882	0.30%	0.00%
Sri. T Kalyan Chakravarthi	12,500	0.12%	0.00%
Smt. K Baby	10,000	0.10%	(0.02%)
Smt. Potini Vijaya Lakshmi	3,174	0.03%	0.00%

18.4.2 (b) 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%
Smt. Singavarapu Lalitha Sree	60,000	0.72%	0.00%
Sri. Kudaravalli Rama Krishna	25,000	0.30%	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 During the year, the Company completed the Rights Issue to eligible equity shareholders - 19,55,083 shares and to eligible employees -1,40,700 shares aggregating to 20,95,783 Equity Shares of Face Value of ₹ 10/- each at a price of ₹ 400/- per equity share (including a premium of ₹ 390/- per share which has been credited to securities premium).

Amounts utilized towards Rights Issue expenses of ₹ 138.35 lakhs was charged to Securities Premium.

18.6 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.

18.7 Board of directors, in its meeting held on 28-01-2006 has extinguished 49,100 partly paid equity shares, amount originally paid up ₹ 2.46 lakhs, which was forfeited in the year 2005-06. Accordingly, amount received on the said shares has been added to securities premium and the said extinguishment has also been recorded by depository participants (DP).

18.8 Dividend

The Board of Directors proposed payment of ₹ 3/- @ 30% per equity share as Final Dividend for the financial year ended March 31, 2023 (March 31, 2022 ₹ 2/- per share). An interim dividend of ₹ 1/- per share aggregating to ₹ 104.05 Lakhs was paid during the financial year.

Also, for the year ended 31st March, 2022, the Company had proposed final dividend of ₹ 2/- @ 20% per equity share aggregating for ₹ 208.11 lakhs as final dividend. The same was approved and paid during the year ended 31st March, 2023. An interim dividend of ₹ 1/- per share aggregating to ₹ 83.09 Lakhs was paid during the previous financial year.



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

19 OTHER EQUITY

Particulars	As at 31-03-2023		As at 31-03-2022	
Securities Premium				
Balance at the beginning of the year		5524.76		5524.76
Add : issued During the Year		8173.55		-
Add : Forfeiture of Shares - transfer from share capital (Refer note no. 18.7)		2.46		-
Less : Rights issue expenses		138.35		-
General Reserve				
Balance at the beginning of the year		902.74		902.74
Retained earnings				
Balance at the beginning of the year	11756.15		8322.28	
Less : Equity Dividend (₹ 3/- per equity Share) (Previous Year ₹ 1/- per equity share) (Refer Note 18.8)	312.16		83.10	
Add: Profit for the year	4640.99		3590.26	
Less: Other Comprehensive Income/ (loss) net of deferred tax	(109.86)		(73.29)	
Balance at the end of the year		15975.12		11756.15
Total		30440.28		18183.65

19.1 Nature and purpose of reserves

- Securities premium - Securities premium is used to record the premium on issue of shares. This will be utilised in accordance with the provisions of the Act.
- General reserve - : The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.
- Retained earnings is the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders. Positive balance of retained earnings represents net earnings till date.

20 FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31-03-2023	As at 31-03-2022
Non Current Borrowings		
Term Loan (Secured)		
From Axis Bank Limited	1943.51	1000.33
From State Bank Of India	-	277.83
Other Loans (Unsecured)		
Sales tax deferment	167.30	198.23
	2110.81	1476.40
Current Maturities of non current borrowings		
Term Loan (Secured)		
From Axis Bank Limited	375.00	293.55
From State Bank Of India	-	72.50
Other Loans (Unsecured)		
Sales tax deferment	78.62	107.34
	453.62	473.38
Total	1657.19	1003.01

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

20 FINANCIAL LIABILITIES - BORROWINGS (Contd..)

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 Limited				
Term Loan (New)				
Sanction Amount	2475.00	17 Quarterly installments of	July 2023	As on 31.03.2023
Outstanding As on 31-03-2023	1943.51	1.25 Cr. each & 2 Installments		1 YR MCLR + 0.35%
Outstanding As on 31-03-2022	-	of 1.75 Cr each.		i.e 9.25%
Term Loan II				
Sanction Amount	750.00	16 Quarterly installments of	October 2018	As on 31.03.2022
Outstanding As on 31-03-2023	-	0.47 Cr. Each		MCLR of 7.35% plus
Outstanding As on 31-03-2022	33.88			spread 0.55% p.a.
Term Loan III				
Sanction Amount	1000.00	20 Structured stepped up	November 2020	As on 31.03.2022
Outstanding As on 31-03-2023	-	quarterly installments First 4 -		MCLR of 7.35% plus
Outstanding As on 31-03-2022	797.40	0.25 Cr. each, next 12 - 0.50 Cr.		spread 0.55% p.a.
		Each & last 4 - 0.75 Cr. Each		
From State Bank Of India (GECL 2.0)				
Sanction Amount	290.00	48 Monthly Installments	March 2022	As on 31.03.2022
Outstanding As on 31-03-2023	-	of 0.06 Cr. Each after a		MCLR of 6.65% plus
Outstanding As on 31-03-2022	277.83	Moratorium of 12 Months		spread 1.10% p.a.
From Axis Bank Limited (GECL 2.0)				
Sanction Amount	179.00	36 Monthly Installments	March 2022	As on 31.03.2022
Outstanding As on 31-03-2023	-	of 0.05 Cr. Each after a		MCLR of 7.35% plus
Outstanding As on 31-03-2022	169.06	Moratorium of 12 Months		spread 0.55% p.a.

20.2 Term loan(new) by Axis Bank Limited is secured by exclusive first charge on fixed assets created out of the term loan extended by the term lender and also by 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.

Term loans II & III sanctioned by Axis Bank Limited, which were closed during the financial year were earlier secured by exclusive first charge on fixed assets created out of the term loans extended by the term lender and also by 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 Limited, respectively, which were closed during the financial year were earlier secured by extension of charge / security interest (both primary & collateral) on a second ranking basis, on the securities available to the banks for the credit facilities enjoyed by the Company then.

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 ₹ 311.84 lakhs has been paid till 31.03.2023. Additionally, the deferment amount payable for the years 2019-20, 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 which have to be paid to the government as per the final orders to be received.



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20 FINANCIAL LIABILITIES - BORROWINGS (Contd..)

20.5. a. The Company has been sanctioned new term loan of ₹ 2475 lakhs during the financial year 2022–23, however, the Company has drawn ₹ 1944 lakhs only out of the sanctioned amount.

Particulars of Loans	Amount Disbursed ₹ 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
Term Loan sanctioned by Axis Bank Limited	1,944	Towards Capital expenditure in property plant and equipment	Yes	-

20.5. b. The Company has not obtained term loan from any Bank/ Financial Institution during the financial year 2021–22.

20.6 Net Debt Reconciliation

Particulars	As at 31-03-2023	As at 31-03-2022
Analysis of net debts and movement in net debts for each of the period presented:		
Current Borrowings	3339.97	7051.47
Non-current borrowings	1657.19	1003.01
Net Debt	4997.17	8054.49

As At 31-03-2023

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings *	
Net debt as at March 31, 2022	1003.01	7051.47	8054.49
Cash Flows (Net)	654.18	(3711.50)	(3057.32)
Net debt as at March 31, 2023	1657.19	3339.97	4997.17

* Includes current maturities of Long Term Debt

As At 31-03-2022

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 31-03-2023	As at 31-03-2022
Other non current liabilities		
Deferred income on government grants	106.73	121.98
Total	106.73	121.98

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

22 PROVISIONS

Particulars	As at 31-03-2023	As at 31-03-2022
Non current provisions		
For Gratuity & Compensated Absence	-	3.75
Short Term Provisions		
For Gratuity & Compensated Absence	69.88	45.76
Total	69.88	49.52

23 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31-03-2023	As at 31-03-2022
Deferred tax assets relating to:		
Unused tax losses/depreciation	-	-
Expenses allowable on payment basis	20.35	14.42
Ind AS adjustments	-	-
Total deferred tax assets	20.35	14.42
Deferred tax liabilities relating to:		
Property, plant and equipment	1934.60	1726.81
Ind AS adjustments	(75.24)	(25.06)
Total deferred tax liabilities	1859.35	1701.75
Deferred tax Liabilities (Net)	(1839.00)	(1687.33)
Add: MAT credit entitlement	332.91	889.43
Total deferred tax liabilities (net)	1506.10	797.90

23.1 DEFERRED TAX ASSETS/(LIABILITIES)

For the year ended March 31, 2023

Particulars	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(1726.81)	(207.79)	-	(1934.60)
MAT credit Entitlement	889.43	(556.52)	-	332.91
Expenses allowed on payment basis	14.42	5.93	-	20.35
Other items giving rise to temporary differences	25.06	5.05	45.13	75.24
	(797.90)	(753.33)	45.13	(1506.10)

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)



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

24 FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31-03-2023	As at 31-03-2022
Current Borrowings		
Loans repayable on demand		
Working capital loans (Secured)		
From State Bank of India	943.50	1074.72
From Axis Bank Limited	475.98	1401.43
From RBL Bank Limited	398.92	705.54
From ICICI Bank Limited	199.89	757.14
Bill discounting facilities from banks (Unsecured)		
From Axis Bank Limited	852.82	1677.45
From RBL Bank Limited	-	808.92
Credit card due (Unsecured)		
Axis PGSI Card	-	137.64
Current Maturities of long term debts		
Term Loan (Secured)		
From Axis Bank Limited	375.00	293.55
From State Bank Of India	-	72.50
Other Loans (Unsecured)		
Sales tax deferment	78.62	107.34
Deferred income on government grants	15.25	15.25
Total	3339.97	7051.47

24.1 Details of Indian Rupee Working Capital Loan from banks are as under:

Name of the Bank	Balance		Effective Interest Rate	
	As at 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022
Loans repayable on demand - Secured				
From State Bank of India	943.50	1074.72	9.30%	7.95%
From Axis Bank Limited	475.98	1401.43	9.45%	7.90%
From RBL Bank Limited	398.92	705.54	10.60%	8.35%
From ICICI Bank Limited	199.89	757.14	9.65%	8.50%
Loans repayable on demand - Unsecured				
From Axis Bank Limited	852.82	1677.45	8.10%	4.50%
From RBL Bank Limited	-	808.92	-	7.00%
Axis PGSI Card	-	137.64	-	7.80%

24.2 Working Capital Facilities :

Working capital facilities extended by State Bank of India, Axis Bank Limited, RBL Bank Limited & ICICI Bank Limited are secured as mentioned below.

1. For Limits sanctioned by SBI, Axis, ICICI & RBL Banks

i) Primary Security:

Pari Passu first charge on current assets of the Company (Present and Future).

Pari Passu Second charge is available to SBI, RBL Bank Limited & ICICI Bank Limited by way of hypothecation on the movable fixed assets of the Company financed by Axis Bank Limited by way of term loan.

ii) Collateral Security :

Pari-passu 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 Limited and equitable mortgage of the company's factory land and buildings in an extent of 71.68 acres situated at Cheruvukommupalem, Ongole.

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(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:

- During the financial year 2022-23, the Company has not availed any new working capital limits (except renewal of limits).
- 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 Limited	2500	Working Capital Requirements	Yes	-

25 TRADE PAYABLES

Particulars	As at 31-03-2023	As at 31-03-2022
Unsecured considered good:		
Total outstanding dues of micro enterprises and small enterprises	398.80	404.98
Total outstanding dues of creditors other than micro enterprises and small enterprises	5465.38	5053.64
Total	5864.18	5458.62

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 31-03-2023	As at 31-03-2022
Principal amount remaining unpaid	398.80	404.98
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	398.80	404.98

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 2023 has been made in the financial statements based on information received and available with the Company.

25.3 Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-180 days terms.



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

25 TRADE PAYABLES (Contd..)

25.4 Trade Payables ageing schedule : (Unsecured)

As at 31.03.2023

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	398.80	-	-	-	-	398.80
Others	5462.26	3.12	-	-	-	5465.38
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

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	-	-	-	-	-	-

26 OTHER FINANCIAL LIABILITIES

Particulars	As at 31-03-2023	As at 31-03-2022
Capital Creditors	29.98	274.25
Unpaid dividends	.85	1.65
Other Payables - Expenses	364.69	301.32
Total	395.53	577.23

26.1 Unpaid dividends will be credited to investors education and protection fund as and when due.

27 OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2023	As at 31-03-2022
Statutory Dues	215.04	48.80
Total	215.04	48.80

28 PROVISIONS

Particulars	As at 31-03-2023	As at 31-03-2022
Short Term Provisions		
For Gratuity & Compensated Absence	69.88	45.76
Total	69.88	45.76

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

29 CURRENT TAX LIABILITIES

Particulars	As at 31-03-2023	As at 31-03-2022
Provision for Income tax (Net of Advance tax and TDS/TCS)	-	74.62
	-	74.62

30 REVENUE FROM OPERATIONS

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Sale of products		
Manufactured products	50142.82	43083.15
Traded Goods	57.08	374.05
Sale of Services		
Other Operating Revenues		
Export Incentives	4.14	107.79
Scrap Sales	5.10	1.75
Total Revenue from operations	50209.13	43566.74

30.1 DETAILS OF SALE OF PRODUCTS :

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Manufactured products - Domestic	44814.11	32541.51
Manufactured products - Export	5328.71	10541.64
Traded Goods -Sale of Raw Materials	57.08	374.05

31 OTHER INCOME

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest Income on		
Deposits, Margin money held and others	93.12	28.76
Gain on foreign currency transactions & translations	58.06	13.87
Government Grant amortised	15.25	15.25
Miscellaneous Income	17.95	29.19
Total	184.38	87.07

32 COST OF MATERIAL CONSUMED

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Raw Material Consumption		
Inventory at the beginning of the year	2560.95	1755.46
Add: Purchases	32417.21	27642.24
	34978.17	29397.69
Less: Inventory at the end of the year	1668.40	2560.95
Cost of raw material consumed	33309.77	26836.74
Purchase of traded goods	41.22	374.05



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

32 COST OF MATERIAL CONSUMED (Contd..)

Particulars	Year ended 31.03.2023		Year ended 31.03.2022	
Packing Material Consumption				
Inventory at the beginning of the year	36.51		21.35	
Add: Purchases	384.82		353.03	
	421.33		374.38	
Less: Inventory at the end of the year	32.39		36.51	
Cost of packing material consumed		388.93		337.87
Total		33739.92		27548.66

33 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Inventories at the beginning of the year		
Work-In-Progress	1044.01	938.48
Finished goods	1796.95	2023.37
	2840.96	2961.85
Inventories at the end of the year		
Work-In-Progress	1704.56	1044.01
Finished goods	3534.95	1796.95
	5239.51	2840.96
Increase/(Decrease) in inventories of finished goods and work-in-progress	(2398.55)	120.89

34 EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Salaries & Wages	2244.27	1833.19
Directors' Remuneration & Commission	208.16	165.00
CEO Commission	46.41	20.34
Contribution to provident fund & other funds	157.83	134.57
Gratuity Expenses	46.87	32.55
Compensated absence	34.96	23.60
Staff Welfare Expenses	215.34	178.28
Total	2953.83	2387.53

35 FINANCE COST

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest on term loan	29.65	124.97
Interest on working capital loan	110.23	219.18
Interest towards delayed payment of statutory dues	1.14	9.39
Interest to others	86.36	151.03
Interest on financial liabilities recognised on amortised cost	14.21	14.00
Bank Charges & Processing Fee	63.67	71.13
Cash Discount	192.69	318.10
Total	497.95	907.80

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

36 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Depreciation	956.23	852.21
Amortization	10.40	12.68
Total	966.63	864.89

37 OTHER EXPENSES

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Manufacturing Expenses :		
Consumption of stores, spares & consumables	1401.91	1116.30
Power and Fuel	4061.66	3104.71
Insurance	130.20	109.07
Effluent treatment expenses	434.73	480.16
Freight Inwards	10.92	8.53
Water Transport Charges	64.62	71.59
Testing and Lab charges	4.28	4.30
Factory maintenance	174.97	136.16
Repairs & maintenance		
Plant and machinery	207.02	207.30
Buildings	255.87	243.70
Others	40.36	4.64
	6786.54	5486.47
Administration, Selling and Other Expenses		
Rent	37.50	34.70
Rates and taxes	17.26	21.87
Research and Development expenses	159.84	143.74
Printing and stationery	28.87	25.45
Consultancy and other professional charges	199.07	117.02
Remuneration to auditors		
- Audit Fee	10.00	8.00
Remuneration to cost auditors	1.00	1.00
Remuneration to Internal Auditors	3.00	2.50
Travelling and conveyance	46.99	24.58
(Including foreign travel ₹ 6.04 lakhs Previous Year - ₹ 1.34 lakhs)		
Communication expenses	13.82	13.80
Vehicle Maintenance	50.37	47.86
Other selling expenses	534.32	507.44
CSR Expenses	61.78	46.89
Miscellaneous Expenses	179.21	196.41
	1343.03	1191.26
Total	8129.57	6677.73



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

38 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 31.03.2023	Year ended 31.03.2022
Remeasurement costs on net defined benefit liability	(154.99)	(103.40)
Deferred tax effect on remeasurement costs on net defined benefit liability	45.13	30.11
Total	(109.86)	(73.29)

39 Details of Expenses on Corporate Social Responsibility Activities:

As Per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2023 was ₹ 61.78 lakhs (Previous Year ₹ 46.89 lakhs), Computed at 2% of its average net profits for the immediately preceding three financial years, towards discharge of Corporate Social Responsibility (CSR) obligation.

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Gross Amount required to be spent as per Section 135 of the Act	61.78	46.89
Add: Amount Unspent from previous years	-	-
Less: Excess Spent from previous year	-	-
Total Gross amount required to be spent during the year	61.78	46.89
Amount approved by the Board to be spent during the year	61.78	46.89
Amount spent during the year on		
(i) Construction/acquisition of an asset	36.69	-
(ii) On purposes other than (i) above	25.09	46.89

Details related to amount spent/ unspent

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Contribution towards on going project	-	-
Spent on CSR activities	61.78	46.89
Contribution to CSR Programme	-	-
Accrual towards unspent obligations in relation to:		
Ongoing projects	-	-
Other than Ongoing projects	-	-
TOTAL	61.78	46.89

Details of excess CSR expenditure

Nature of Activity	Balance excess as at 1 April 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess as at 31 March 2023
CSR Activities for the Financial Year 2022-23	-	61.78	67.11	5.33

Disclosures on shortfall

Particulars	March 31, 2023	March 31, 2022
Amount Required to be spent by the Company during the year	61.78	46.89
Actual Amount Spent by the Company during the year	61.78	46.89
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall - State reasons for shortfall in expenditure	Not Applicable	Not Applicable

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

39 Details of Expenses on Corporate Social Responsibility Activities: (Contd..)

Nature of CSR activities

Particulars	March 31, 2023	March 31, 2022
Rural Development Projects	37.11	3.71
Promoting Education	25.00	13.02
Disaster Management	5.00	10.00
Promoting Health Care	-	20.16
Amount Spent during the Year	67.11	46.89

Details of related party Transactions :

The Company has contributed ₹ 36.69 Lakhs (Previous Year- Nil) by way of transfer of a capital asset to Singavarapu Koteswara Rao Charitable Trust, which is a related party. This amount forms part of the of the CSR spend of the Company during the financial year 2022-23.

40 TAXES

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
a. Income Tax Expense recognised in the Statement of Profit & Loss:		
Current Tax	1109.32	881.10
Adjustment for MAT	556.52	465.82
Deferred tax Charge/(Credit)	196.81	206.51
Earlier years Tax	.50	2.63
Total Income tax Expenses recognised in statement of profit & loss	1863.15	1556.06
Net (gain)/ loss on Measurement of Defined Benefit plan net of Deferred tax Charged/(Credit) to OCI	(109.86)	(73.29)
b. Reconciliation of effective tax rate:		
Profit before tax (A)	6504.15	5146.31
Enacted tax rate in India (B)	29.12%	29.12%
Expected Tax Expenses (C=A*B)	1894.01	1498.61
Adjustments for permanent difference:		
Weighted deduction U/s 35 (2AB) under the Income Tax Act,1961	(182.72)	-
Expenses not deductible for tax purpose	67.28	55.10
Tax due to change in tax rate	-	7.01
Others	9.48	135.19
Total	(105.95)	197.29
Profit after adjusting permanent difference	6398.19	5343.60
Expected Tax expenses	1863.15	1556.06
Total Tax expense	1863.15	1556.06

41 EARNINGS PER SHARES

41.1 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 potentially dilutive equity shares into equity shares.



Notes to Standalone Financial Statements

for the year ended March 31, 2023

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41 EARNINGS PER SHARES (Contd..)

41.2 The Basic and diluted EPS per share is given hereunder

Particulars		Year ended 31.03.2023	Year ended 31.03.2022
Profit / (Loss) as per Profit and Loss Account	₹	4640.99	3590.26
Net Profit / (Loss) attributable to Equity Share holders	₹	4640.99	3590.26
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.	1,04,05,483	83,09,700
Weighted average No of equity shares in computing basic EPS	Nos.	1,01,81,550	83,09,700
Weighted Average number of Equity Shares in computing diluted earnings per share	Nos.	1,01,81,550	83,09,700
Face value of each equity share	₹	10	10
Earnings per share			
- Basic (Annualised)	₹	45.58	43.21
- Diluted (Annualised)	₹	45.58	43.21

42 Employee benefits

42.1 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, 2023	March 31, 2022
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	52.23	36.53
Interest cost	(5.36)	(3.98)
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the period/ year	24.33	28.74
Benefits paid	3.50	(3.31)
Net employee benefit expenses	74.70	57.98
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	507.97	383.56
Fair value of plan assets	493.33	390.03
	14.64	(6.48)
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	383.56	271.94
Current service cost	52.23	36.53
Interest cost	26.08	18.11
Benefits paid	(57.45)	(20.44)
Remeasurement due to financial assumptions	79.23	48.67
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	24.33	28.74
Closing defined benefit obligation	507.97	383.56

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(Amount in Indian Rupees in lakhs unless otherwise stated)

42 Employee benefits (Contd..)

Particulars	March 31, 2023	March 31, 2022
D) Change in the fair value of plan assets		
Opening fair value of plan assets	390.03	273.72
Interest Income on Planned assets	31.44	22.09
Contributions	132.81	111.35
Benefits paid	(57.45)	(20.44)
Actuarial gain/(loss) on plan assets	(3.50)	3.31
Closing fair value of plan assets	493.33	390.03
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)	24.33	28.74
Financial Assumptions loss/ (gain)	79.23	48.67
Return on Plan Assets	3.50	(3.31)
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	107.06	74.10
i) The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Discount rate	7.51%	7.35%
Expected rate of return on assets	0.00%	0.00%
Salary rise	8.00%	6.00%
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.		
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	507.97	383.56
Plan assets	493.33	390.03
Surplus / (deficit)	14.64	(6.48)

42.2 Compensated absence

Defined Benefit Plans

Particulars	March 31, 2023	March 31, 2022
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	34.15	23.07
Interest cost	17.52	12.71
Expected return on plan assets	-	-
Net actuarial(gain) / loss recognised in the period/ year	19.74	2.77
Benefits paid	11.47	14.34
Net employee benefit expenses	82.89	52.89
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	326.86	249.95
Fair value of plan assets	271.62	200.44
	55.24	49.52



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

42 Employee benefits (Contd..)

Particulars	March 31, 2023	March 31, 2022
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	249.95	185.84
Current service cost	34.15	23.07
Interest cost	17.52	12.71
Benefits paid	(23.25)	(4.29)
Remeasurement due to financial assumptions	28.75	29.84
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	19.74	2.77
Closing defined benefit obligation	326.86	249.95
D) Change in the fair value of plan assets		
Opening fair value of plan assets	200.44	167.30
Expected return on plan assets	.56	3.32
Contributions	93.87	34.11
Benefits paid	(23.25)	(4.29)
Actuarial gain/(loss) on plan assets	-	-
Closing fair value of plan assets	271.62	200.44
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)	19.74	2.77
Financial Assumptions loss/ (gain)	28.75	29.84
Return on plan assets	(.56)	(3.32)
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	47.93	29.30
i) The principal assumptions used in determining Leave Encashment for the Company's plans are shown below:		
Discount rate	7.51%	7.35%
Expected rate of return on assets	0.00%	0.00%
Salary rise	8.00%	6.00%
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.

42.3 Defined Contribution Plan

Particulars	March 31, 2023	March 31, 2022
Contribution to Provident Fund	146.72	121.41
Contribution to Superannuation Fund	-	-

43 COMMITMENTS & CONTINGENCIES

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
a. Commitments:		
Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	132.33	93.91
Total	132.33	93.91

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

43 COMMITMENTS & CONTINGENCIES (Contd..)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
b. Contingent Liabilities:		
i) Outstanding bank guarantees	5.00	5.00
ii) Letters of Credit	781.22	749.89
iii) Indirect Taxes - GST	65.69	65.69
iv) Indirect Taxes - Entry Tax	9.10	9.10
v) Indirect Taxes - CVD & SAD (Refer Note 44)	39.92	39.92
vi) Demand for direct taxes under appeal*	71.50	-
Total	972.43	869.60

* Pertains to income tax demand/matters on account of deductions / re-opening for earlier years, pending appeals filed consequent to order passed by Honourable Income Tax Tribunal to restore the issue to the file of Commissioner of Income Tax (Appeals) with a direction to adjudicate the issue of validity of reassessment proceedings as well as claim of deductions.

(In respect of the above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various forums / authorities. The Company has assessed that it is only possible but not probable that the outflow of economic resources will be required)

44 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.

45 SEGMENT REPORTING :

a. BASIS OF SEGMENTATION

The company operates only in one business segment viz. 'manufacturing and sales of crop care 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, 2023	Year Ended March 31, 2022
Segment revenue (based on the location of the customers)		
India	44871.18	32915.57
Europe	1065.26	4070.02
North America	3197.71	4294.71
South America	344.52	1503.55
Rest of the World	721.21	673.36
Total	50199.89	43457.21



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

45 SEGMENT REPORTING : (Contd..)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Segment assets (based on the location of the assets)		
India	21915.06	16778.08
Total	21915.06	16778.08

46 PAYMENTS TO AUDITORS (excluding GST & Service Tax)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
A) Statutory auditors		
Statutory audit	10.00	8.00
	10.00	8.00
B) Cost auditors		
Audit fee	1.00	1.00
Others	.05	.05
	1.05	1.05

47 RESEARCH AND DEVELOPMENT

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Details of expenditure on R & D		
i) Details of Revenue expenditure		
Cost of Materials Consumed		
Laboratory Expenses and Consumables	84.59	85.05
Employee Benefits Expenses		
Salaries, Wages and Bonuses	70.27	48.05
Other Expenses		
Repairs and Maintenance	4.99	10.63
ii) Capital Expenditure		
Plant & Machinery	182.72	-
Building related material	53.28	-
	395.84	143.74

48 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

AS AT 31-03-2023

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-22	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	6186.35	6185.48	.87	On account of difference in apportionment of overheads in WIP & FG while submitting the stock statement to the Bank.
		Receivables	10871.03	10871.03	-	-
		Payables	4790.19	4790.19	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

48 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions (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
Sep-22	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	6813.79	6784.52	29.27	On account of difference in apportionment of overheads in WIP & FG and the Duty paid against the inventory lying in the warehouse which was not included while submitting the stock statement to the Bank.
		Receivables	12018.79	12018.79	-	-
		Payables	5918.34	5918.34	-	-
Dec-22	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	7820.14	7846.57	(26.43)	On account of difference in apportionment of overheads in WIP & FG and variation in average prices of Raw materials while submitting the stock statement to the Bank.
		Receivables	14993.11	14993.11	-	-
		Payables	6149.72	6149.72	-	-
Mar-23	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	8801.18	8800.31	.87	On account of difference in apportionment of overheads in WIP & FG while submitting the stock statement to the Bank.
		Receivables	12876.52	12876.52	-	-
		Payables	5534.56	5534.56	-	-

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 Limited and RBL Bank Limited	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 is shown as trade receivables while submitting stock statement
		Payables	3770.36	3770.36	.00	-
Sep-21	State Bank of India, Axis Bank Limited and RBL Bank Limited	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 is 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 Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

48 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions (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 Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	6996.73	6947.12	49.60	Inventory lying in Warehouse is not considered while submitting stock statement of ₹ 41.97 lakhs
		Receivables	6179.77	6225.89	(46.12)	Advance payment to trade payables is 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 Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	6519.92	6515.80	4.12	Difference is due to variation in Average Price
		Receivables	9658.86	9731.43	(72.57)	Advance payment to trade payables is 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, 2023

(Amount in Indian Rupees in Lakhs unless otherwise stated)

49 RATIOS :

S No.	Ratio	Particulars		March 31, 2023		March 31, 2022		Ratio as on		Variation	Reason (If variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	March 31 2023	March 31 2022		
(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	22720.39	9884.60	17422.14	13256.51	2.30	1.31	74.90%	The improvement in current ratio is owing to infusion of rights issue proceeds in the working capital system in addition to the profits earned by the company during the year.
(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	2110.81	31480.83	1476.40	19017.07	0.07	0.08	(13.63%)	-
(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	6105.57	1331.99	5362.94	5770.8	4.58	9.29	(50.68%)	Due to preclosure of term loan out of the right issue proceeds, debts has been reduced significantly.
(d)	Return on Equity Ratio	Net Income= Net Profits after taxes – Preference Dividend	Shareholder's Equity	4640.99	31480.83	3590.26	19017.07	0.15	0.19	(21.91%)	-
(e)	Inventory Turnover Ratio	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	31300.15	7962.53	27295.50	5915.44	3.93	4.61	(14.81%)	-
(f)	Trade Receivables Turnover Ratio	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	50204.99	11267.69	43458.96	7812.32	4.46	5.56	(19.90%)	-
(g)	Trade Payables Turnover Ratio	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	37834.21	5661.40	31521.98	5044.62	6.68	6.25	6.95%	-
(h)	Net Capital Turnover Ratio	Revenue	Average Working Capital= Average of Current assets – Current liabilities	50393.50	8500.71	43653.81	3027.17	5.93	14.42	(58.89%)	During the year, rights issue proceeds were infused in the working capital system resulting in improved working capital availability and the benefits of increase in capital shall accrue over a period of time.
(i)	Net Profit Ratio	Net Profit	Net Sales	4640.99	50393.50	3590.26	43653.81	0.09	0.08	11.98%	-
(j)	Return on Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	7002.10	34750.85	6054.11	20943.72	0.20	0.29	(30.29%)	The variance is on account of equity infusion during the year.
(k)	Return on Investment	Net Profit	Net Investment= Net Equity	4640.99	31480.83	3590.26	19017.07	0.15	0.19	(21.91%)	-



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

50 Related party disclosures

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company

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	
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.
Singavarapu Koteswara Rao Charitable Trust	Mr.S.Chandra Sekhar, Managing Director, is Chairman & Managing Trustee
Key Management Personnel	
Sri. K S Raju	Independent Director & Chairman
Sri. S Chandra Sekhar	Managing Director
Sri. Sudhakar Kudva	Independent Director
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 (Upto 13-05-2022)
Sri. A Arvind Kumar	Chief Executive Officer
Sri. B Krishna Mohan Rao	Chief Financial Officer
Smt. R Sharanya	Company Secretary

Note : Names of related parties and description of relationship as identified and certified by the Company.

Transactions during the year:

Particulars	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2023
a) Subsidiary Company		
Bheema Fine Chemicals Private Limited		
Loans given during the year to the enterprise	3040.00	105.00
Loans repaid during the year from the enterprise	3138.97	66.64
Interest received on the loan given	58.47	2.13
Amount paid towards Shares allotment	3300.00	99.00
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		
Purchase of Goods / Services (Including duties and taxes)		
VNA Express & Logistic Solutions	-	6.27
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
Loans repaid during the year to the enterprise	-	456.98
Interest on Loans paid to the enterprise	-	18.99
Singavarapu Koteswara Rao Charitable Trust		
Contribution made towards CSR Expenditure	36.69	-

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

50 Related party disclosures (Contd..)

Particulars	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2023
d) Key Management Personnel		
i) Sri. S Chandra Sekhar		
Remuneration including commission	214.33	141.48
Unsecured loans taken from him	-	140.00
Unsecured loans Repaid to him	-	441.41
Interest on Unsecured loans paid to him	-	12.77
ii) Sri. K S Raju		
Sitting Fees	1.35	1.45
iii) Sri. Sudhakar Kudva		
Sitting Fees	2.45	2.60
iv) Sri.D Sadasivudu		
Sitting Fee	-	.25
v) Smt. S Lalitha Sree		
Sitting Fee	1.40	1.70
vi) Sri. G S V Krishna Rao		
Sitting Fee	2.15	2.40
vii) Sri.Kishor Shah		
Sitting Fee	.95	1.90
viii) Smt. G Aruna		
Sitting Fee	1.55	1.60
ix) Sri. Ketan Chamanlal Budh		
Remuneration & Perquisites	9.12	32.16
x) Sri. A Arvind Kumar		
Remuneration (Including Commission & Perquisites)	118.33	73.61
xii) Sri.B Krishna Mohan Rao		
Remuneration & Perquisites	45.29	30.74
xiv) Smt R Sharanya		
Remuneration & Perquisites	18.23	.94
xiii) Smt. Saheli Banerjee		
Remuneration	-	9.87

Closing Balances

Particulars	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2023
a) Subsidiary		
Bheema Fine Chemicals Private Limited		
Investments in Subsidiary	4200.00	900.00
Outstanding Loan Receivable	-	40.49
Security of land given against the loan taken by holding company	-	500.00
b) Key Management Personnel		
i) Sri. S Chandra Sekhar		
Commission Payable	69.61	45.00
Guarantee given for borrowings	-	4791.65
ii) Sri. A Arvind Kumar		
Commission Payable	46.41	22.80

In compliance with Ind AS - 27: "Separate financial statements", The required information is as under:



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

50 Related party disclosures (Contd..)

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

There have been no guarantees provided or received for any related party receivables or payables.

No balances in respect of the related parties have been provided for written off / written back.

51 Following are the details of loans given to subsidiaries, associates and other entities in which directors are interested in terms of regulation 53 (F) read together with Para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2013).

SUBSIDIARIES	COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	
		FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2022
Bheema Fine Chemicals Private Limited	India	100%	100%

Particulars	Investments in equity		Gross loan outstanding as at		Maximum amount of loans outstanding at any time during the year	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Bheema Fine Chemicals Private Limited	4200.00	900.00	-	40.49	2406.71	165.42

52 The following disclosures shall be made 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:

Year Ended March 31, 2023

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		-	0%
Related Parties (Subsidiary)		Not Applicable		-	0%
Total of Loan and Advances in the nature of Loan		Not Applicable		-	0%

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%

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

53 The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

54 Wilful Defaulter

The Company has not defaulted in servicing the debt availed from banks, financial Institutions or any other lender and is therefore not a defaulter or wilful defaulter as defined by RBI Circular.

55 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

56 Registration of charges or satisfaction with Registrar of Companies :

The Company does not have any pending charges to be created or satisfaction charge to be filed with ROC beyond the statutory period.

57 Compliance with number of layers of companies :

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

58 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the current year as well as in the previous year in the tax assessments under the Income Tax Act, 1961, such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

59 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

60 Utilisation of Borrowed funds and share premium:

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) out of its borrowed funds or share premium or any other source with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

61 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 is 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 comprise 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 have 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, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Financial assets at fair value through profit & loss				
Investments	4200.00	900.00	-	-
Financial Assets at amortised cost				
Loans	-	40.49	-	-
Deposits & Others	666.85	590.42	-	-
Trade Receivables	12876.52	9658.86	-	-
Cash & Cash Equivalents	216.67	218.17	-	-
Bank Balances other than above	94.17	83.21	-	-
Financial Liabilities at amortised cost				
Borrowings (Non Current & Current)	4981.92	8039.24	167.30	198.23
Interest accrued	15.25	15.25	-	-
Trade Payables	5864.18	5458.62	-	-
Capital Creditors & Others	395.53	577.23	-	-

62 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.

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

62 Risk management (Contd..)

62.1 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 have 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 outstandings from various customers is as follows:

Particulars	March 31, 2023	March 31, 2022
Not Due	10085.22	9033.54
0 - 90 Days	2791.30	624.66
90 - 180 Days	-	.59
180 - 270 Days	-	.08
270 - 365 Days	-	-
More than 360 Days	-	-
Total	12876.52	9658.86

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 ₹ 216.67 lakhs - at March 31, 2023 (March 31, 2022: ₹ 218.17 lakhs). This includes the cash and cash equivalents held with the bank and the cash on hand with the Company.

62.2 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 loans 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 :

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-23					
Total Borrowings	3324.73	1013.67	627.45	100.10	5065.94
Interest Payable	15.25	-	-	-	15.25
Trade Payables	5864.18	-	-	-	5864.18
Other Payables	29.98	-	-	-	29.98
	9234.13	1013.67	627.45	100.10	10975.35



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

62 Risk management (Contd..)

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-22					
Total Borrowings	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

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 through credit facilities like cash credit, 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, 2023	March 31, 2022
Floating rate instruments		
Financial Liabilities - measured at amortised cost		
Term loan from banks	1943.51	1278.16
Working capital facilities from bank	2018.29	3938.84
Bills Discounting	852.82	2486.37
Credit Card Dues	-	137.64
Fixed rate instruments		
Loan from intercorporates (Unsecured)	-	-
Loan from Directors (Unsecured)	-	-
Total	4814.62	7841.01

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-23		
Variable rate loan instruments	12.04	(12.04)
31-Mar-22		
Variable rate loan instruments	19.60	(19.60)

Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

62 Risk management (Contd..)

62.3 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, 2023 & March 31, 2022 are in lakhs

Particulars	March 31, 2023	March 31, 2022
	USD	USD
Financial Assets		
Cash & Cash equivalents	210.50	201.75
Trade & Other Receivables	725.87	2428.43
	936.37	2630.18
Financial Liabilities		
Trade & Other Payables	2106.84	1562.64
Advance from Customers	.00	.00
	2106.84	1562.64
Net Exposure	(1170.47)	1067.53

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars as at March 31 would have affected the measurement of financial instruments denominated in US dollars 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.

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31-Mar-23				
1% movement				
USD	(11.70)	11.70	-	-
	(11.70)	11.70	-	-

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31-Mar-22				
1% movement				
USD	10.68	(10.68)	-	-
	10.68	(10.68)	-	-



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

62 Risk management (Contd..)

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.

63 Disclosure Regarding Derivative Instruments and Unhedged Foreign Currency Exposure

Foreign currency exposures not covered by derivative instruments or otherwise as at 31st March, 2023 and 31st March, 2022 are as under :

Particulars	Foreign currency USD	Indian rupees	Foreign currency USD	Indian rupees
	As at 31 st March 23		As at 31 st March 22	
Trade Payables	25.64	2106.84	20.62	1562.64
Trade Receivables	8.83	725.87	32.04	2428.43

Notes:

As at 31st March, 2023 1 USD = INR 82.1700

As at 31st March, 2022 1 USD = INR 75.79250

64 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, 2023	March 31, 2022
	USD	USD
Non Current borrowings	1657.19	1003.01
Current borrowings	3339.97	7051.47
Total Debts	4997.17	8054.49
Less: Cash & Cash equivalents	216.67	218.17
Other bank deposits	94.17	83.21
Adjusted net debts	4686.32	7753.10
Equity	1040.55	833.43
Other Equity	30440.28	18183.65
Total Equity	31480.83	19017.07
Adjusted net debt to equity ratio	0.15	0.41



Notes to Standalone Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

65 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.

66 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 and on behalf of the Board of Directors

For **R Kankaria & Uttam Singhi**

Chartered Accountants

Firm Registration No: 000442S

Bhagiradha Chemicals & Industries Limited

(CIN: 24219TG1993PLC015963)

Rajendra Kankaria

Partner

Membership No.: 022051/ICAI

K S Raju

Chairman

DIN NO. 00008177

S Chandra Sekhar

Managing Director

DIN NO. 00159543

Place : Hyderabad

Date : 13.05.2023

A Arvind Kumar

Chief Executive Officer

B Krishna Mohan Rao

Chief Financial Officer

R Sharanya

Company Secretary



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 subsidiary (the Company and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, 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 then 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, 2023 and their consolidated profit, their consolidated total comprehensive income, their consolidated change 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.	Valuation of inventories a) Inventories represent a significant portion of total assets as at March 31, 2023. The Group writes down inventories to net realisable value on account of quality, shelf life and non or slow moving inventories, based on the management's assessment. Assessing net realizable value and identification of quality, non or slow moving inventories are areas which require use of significant judgements and owing to the inherent complexities. b) 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. Therefore, it has been considered as a key audit matter.	Our principal procedures included the following, but were not limited to: a) Evaluated the design and tested operating effectiveness of internal controls over inventory valuation. Tested the valuation of inventories, on sample basis by comparing the value of raw materials with the underlying supporting documents. For work in process and manufactured finished goods, verified the bill of materials and tested overhead absorption; b) Evaluated the design of internal controls relating to the management judgments and estimates relating to quality, purity, fair value less costs to sell and also tested the operating effectiveness of the aforesaid controls. c) Understood and evaluated the process relating to determination of net realizable value of inventories and identification of quality, shelf life of inventories; d) Obtained age wise analysis of inventories, and evaluated the adequacy of write-down of inventories provided by the management; e) Obtained the market information for the fair values and compared them with the rates considered by the management in determining the fair values. and f) Assessed the appropriateness of disclosures in consolidated financial statements in accordance with the applicable accounting standards.

Information Other than the consolidated 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 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 consolidated 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 Companies, 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 consolidated 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 and its subsidiary company have 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 Group'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 Group 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.

Other Matters

The consolidated financial statement of the Group for the year ended 31st March 2022 has been audited by the predecessor auditor whose report dated 26th May 2022 had expressed an unmodified opinion. Our conclusion is not modified in respect of this matter.

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 relating to preparation of aforesaid consolidated financial statements have been kept 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 Company as on March 31, 2023 taken on record by the Boards of Directors of the Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 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 company 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 company incorporated in India.

- iv. (a) As per the written representation received from the management of the Company and its subsidiary 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 and its subsidiary 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 or its subsidiary ("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 respective managements of the Group and to the best of their 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 and its subsidiary from any person(s) or entity, including foreign entities ("Funding Parties"), with the understanding, that the company and its subsidiary 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 final dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with Section 123 of the Companies Act, 2013.
- (b) 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.
- (c) The Board of Directors have 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.
- vi. Proviso to Rule 3(1) of companies (Accounts) Rule, 2014 for maintaining of books of accounts using accounting software which has feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to company and its subsidiary, which are incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit & Auditor) Rule, 2014 is not applicable for the Financial year ended March 31, 2023
2. With respect to the matters specified in paragraphs 3 (xxi) and 4 of the Companies (Auditors 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 subsidiary 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 **R Kankaria & Uttam Singhi**
Chartered Accountants
ICAI Firm Regi. No.000442S

Rajendra Kankaria
Partner
Membership No.: 022051/ICAI
UDIN No.: 23022051BGYMME5834

Place: Hyderabad
Date: 13.05.2023



Report on Internal Financial Controls over Financial Reporting

Annexure “A” to the Independent 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, 2023, we have audited the internal financial controls over financial reporting of Bhagiradha Chemicals & Industries Limited (hereinafter referred to as the “Company”) and its subsidiary company, 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 company, 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 company, 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 company, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Consolidated 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 consolidated 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 Consolidated 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 company, 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, 2023, 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 **R Kankaria & Uttam Singhi**
Chartered Accountants
ICAI Firm Regi. No.000442S

Rajendra Kankaria
Partner
Membership No.: 022051/ICAI
UDIN No.: 23022051BGYMME5834
Place: Hyderabad
Date: 13.05.2023



Consolidated Balance Sheet

as at 31st March, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Note	As at 31-03-2023	As at 31-03-2022
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	17311.59	15625.06
Right of Use Assets	4	22.01	22.24
Capital Work - in - Progress	5	2741.84	444.32
Other Intangible Assets	6	12.62	23.02
Intangible Assets under Development	7	36.81	29.81
Financial Assets			
Investments	8	-	-
Other Financial Assets	9	654.03	577.94
Other Non Current Assets	10	1087.15	86.44
Total Non Current Assets		21866.05	16808.83
Current assets			
Inventories	11	9131.74	6793.33
Financial Assets			
Trade receivables	12	12876.52	9658.86
Cash and cash equivalents	13	293.55	220.34
Bank balances other than cash and cash equivalents	14	94.17	83.21
Loans	15	-	-
Other Financial Assets	16	28.32	19.01
Current Tax Assets (Net)	17	11.94	1.03
Other Current Assets	18	389.11	617.68
Total Current Assets		22825.35	17393.46
Total Assets		44691.41	34202.30
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	19	1040.55	833.43
Other Equity	20	30284.42	18153.63
Total Equity		31324.97	18987.05
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	21	1657.19	1003.01
Lease liability	22	21.17	21.17
Other Financial Liabilities	23	106.73	121.98
Provisions	24	-	3.75
Deferred tax Liabilities (Net)	25	1506.10	797.90
Total Non Current Liabilities		3291.19	1947.82
Current Liabilities			
Financial Liabilities			
Borrowings	26	3339.97	7051.47
Lease liability	27	1.35	1.35
Trade payables	28		
a) Total Outstanding dues of Micro and Small enterprises		398.80	404.98
b) Total Outstanding dues of Trade Payables other than Micro and Small enterprises		5465.38	5053.64
Other Financial Liabilities	29	578.69	586.15
Other current liabilities	30	221.18	49.44
Provisions	31	69.88	45.76
Current Tax Liabilities (Net)	32	-	74.62
Total Current Liabilities		10075.25	13267.43
Total Liabilities		13366.44	15215.24
Total Equity & Liabilities		44691.41	34202.30
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of the standalone financial statements	3 to 71		

As per our report of even date

For **R Kankaria & Uttam Singhi**

Chartered Accountants

Firm Registration No: 000442S

Rajendra Kankaria

Partner

Membership No.: 022051/ICAI

Place : Hyderabad

Date : 13.05.2023

For and on behalf of the Board of Directors

Bhagiradha Chemicals & Industries Limited

CIN NO. 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

Consolidated Statement of Profit & Loss

 for year ended 31st March, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
I. Income:			
Revenue from Operations	33	50209.13	43566.74
Other Income	34	125.91	84.94
Total Income (I)		50335.03	43651.68
II Expenses:			
Cost of Materials Consumed	35	33698.70	27174.61
Purchase of stock in trade		41.22	374.05
Change in inventories of finished goods and Work in progress	36	(2398.55)	120.89
Employee benefits expense	37	2956.96	2389.69
Financial costs	38	499.32	908.78
Depreciation and amortization expense	39	980.79	873.04
Other expenses	40	8178.28	6679.78
Total Expenses (II)		43956.73	38520.85
III Profit/(Loss) Before Exceptional Items and Tax (I-II)		6378.31	5130.83
Exceptional Items		-	-
IV Profit/(Loss) After Exceptional Items and Before Tax		6378.31	5130.83
V Tax expense:	43		
Current tax		1109.32	881.10
MAT Credit Utilisation		556.52	465.82
Deferred tax charge/ (credit)		196.81	206.51
Earlier years Tax		.50	2.63
		1863.15	1556.06
VI Profit/(Loss) for the year		4515.16	3574.78
Other Comprehensive Income	41		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement gain / (loss) on employees defined benefit plan		(154.99)	(103.40)
Deferred tax credit on above		45.13	30.11
Total other Comprehensive Income, net of tax		(109.86)	(73.29)
Total Comprehensive Income for the year, net of tax		4405.30	3501.49
Earning per equity share of ₹ 10/- each fully paid:	44		
Basic (Annualised) (₹)		44.35	43.02
Diluted (Annualised) (₹)		44.35	43.02
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of the standalone financial statements	3 to 71		

As per our report of even date

For and on behalf of the Board of Directors

 For **R Kankaria & Uttam Singhi**

Chartered Accountants

Firm Registration No: 000442S

Bhagiradha Chemicals & Industries Limited

CIN NO. L24219TG1993PLC015963

Rajendra Kankaria

Partner

Membership No.: 022051/ICAI

K S Raju

Chairman

DIN NO. 00008177

S Chandra Sekhar

Managing Director

DIN NO. 00159543

Place : Hyderabad

Date : 13.05.2023

A Arvind Kumar

Chief Executive Officer

B Krishna Mohan Rao

Chief Financial Officer

R Sharanya

Company Secretary



Consolidated Cash Flow Statement

for the year ended 31st March, 2023

(Amount In Indian Rupees In Lakhs Unless Otherwise Stated)

Particulars	As at 31-03-2023	As at 31-03-2022
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit Before Tax	6378.31	5130.83
Adjustments for :		
Depreciation and amortization expenses	980.79	873.04
Loss on sale of property, plant & equipment	.47	7.61
Interest paid	242.95	510.14
Interest income and notional income	(49.89)	(44.00)
Provision for bad and doubtful debts	-	11.60
Net unrealised foreign exchange loss / (gain)	(25.55)	(17.34)
Gratuity and compensated absence	81.83	56.15
Operating profit before working capital changes	7608.90	6528.04
Changes in working capital :		
(Increase)/Decrease in inventories	(2338.42)	(1755.78)
(Increase)/Decrease in trade receivable	(3217.66)	(3701.54)
(Increase)/Decrease in other financial and non financial assets	156.19	(401.87)
Increase/(Decrease) in trade payable	405.56	822.24
Increase/(Decrease) in other financial, non financial liabilities & provisions	(30.73)	(25.51)
Cash generated from operations	2583.84	1465.58
Direct taxes paid (Net of refund)	(1194.43)	(805.00)
Net cash flow from/(used in) operating activities (A)	1389.41	660.57
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment (tangible & intangible both), capital work in progress and capital advances	(5982.60)	(1725.03)
Proceeds from sale of property, plant and equipments	10.52	57.33
Investment in or redemption of bank and margin money deposit (having original maturity of more than 12 months)	(12.75)	(17.32)
Investment in or redemption of bank and margin money deposit (having original maturity of more than 3 months)	(11.15)	(55.47)
Interest received	34.65	28.76
Net cash flow used in investing activities (B)	(5961.34)	(1711.72)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issuance of equity share capital (Net of rights issue expenses)	8244.78	-
Proceeds/(Repayment) of long term borrowings (Net)	654.18	(918.91)
Proceeds/(Repayment) of short term borrowings (Net)	(3711.50)	2739.80
Dividend Paid	(312.16)	(83.10)
Interest paid	(228.74)	(496.14)
Net cash used in financing activities (C)	4646.55	1241.65
Effect of exchange differences on translation of balance in EEFC account - cash and cash equivalents (D)	(1.42)	(2.85)
Net Increase/(decrease) in cash and cash equivalents (A+B+C+D)	74.63	190.50
Cash and cash equivalents at the beginning of the year	220.34	32.70
	293.55	220.34
Cash and cash equivalents includes		
Balances with banks		
In current accounts	292.33	219.61
Cash on hand	1.22	.73
Total cash and bank balances at the end of year	293.55	220.34

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 **R Kankaria & Uttam Singhi**
Chartered Accountants
Firm Registration No: 000442S

For and on behalf of the Board of Directors
Bhagiradha Chemicals & Industries Limited
CIN NO. L24219TG1993PLC015963

Rajendra Kankaria
Partner
Membership No.: 022051/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 13.05.2023

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary

Consolidated Statement Of Changes In Equity

 for the year ended 31st March 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

a Equity Share Capital

Particulars	As at 31-03-2023	
	No. of shares	Amount
For the year ended 31st March 2023		
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at April 01, 2022	83,09,700	830.97
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2022	83,09,700	830.97
Changes in equity share capital during the current year	20,95,783	209.58
Balance as at March 31, 2023	1,04,05,483	1040.55

Particulars	As at 31-03-2022	
	No. of shares	Amount
For the year ended 31 March 2022		
Equity shares of ₹ 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

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, 2022	5524.76	902.74	11698.02	28.11	18153.63
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at April 01, 2022	5524.76	902.74	11698.02	28.11	18153.63
Add: Profit for the year transferred to retained earnings	-	-	4515.16	-	4515.16
Add: Other Comprehensive Income for the year :					
Remeasurement of employees defined benefit plans	-	-	-	(154.99)	(154.99)
Deferred tax on above	-	-	-	45.13	45.13
Add: Share premium received during the year	8173.55	-	-	-	8173.55
Add : Forfeiture of Shares - transfer from share capital (Refer note no. 19.7)	2.46	-	-	-	2.46
Less: Rights Issue Expenses	(138.35)	-	-	-	(138.35)
Less : Equity Dividend (refer note no. 19.8)	-	-	(312.16)	-	(312.16)
As at March 31, 2023	13562.42	902.74	15901.01	(81.74)	30284.42
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
Less : Equity Dividend (refer note no. 19.8)	-	-	(83.10)	-	(83.10)
As at March 31, 2022	5524.76	902.74	11698.02	28.11	18153.63
Summary of Significant Accounting Policies	1 to 2				
The accompanying notes are an integral part of the standalone financial statements	3 to 71				

As per our report of even date

 For **R Kankaria & Uttam Singhi**
Chartered Accountants
Firm Registration No: 000442S

Rajendra Kankaria
Partner
Membership No.: 022051/ICAI
Place : Hyderabad
Date : 13.05.2023

For and on behalf of the Board of Directors

Bhagiradha Chemicals & Industries Limited
CIN NO. 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



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

1. Overview of the group

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 Hyderabad (Telangana). It is incorporated under the Companies Act and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. It has got its manufacturing facility in Ongole, Prakasam District of Andhra Pradesh and is engaged in manufacture of Crop Care Chemicals.

The Group's consolidated financial statements are approved for issue by the Company's Board of Directors on May 13, 2023.

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 31 March 2023 - 100%

% age voting power held as at 31 March 2022 - 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 consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Basis of preparation and compliance with IND AS

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

The accounting policies are applied consistently to all the years presented in the consolidated financial statements.

The consolidated Financial statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by 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

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

3.2 Uses of Estimates & judgments

The preparation of Consolidated Financial Statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements and reviewed on an ongoing basis. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods. Refer Note 2.27 for detailed discussion on Significant accounting judgments, estimates and assumptions.

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 Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is

used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

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

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

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

3.4 Property Plant and Equipment and Depreciation

- a) Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.
- b) Subsequent expenditure is capitalised only 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 property, plant and equipment not ready for their intended use and related incidental expenses and attributable interest.
- d) Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as "Other Non-Current Assets".
- e) Expenditure during construction period:

Expenditure (direct & indirect) incurred during the construction period which are attributable to acquisition/



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

construction of property, plant and equipment, will be capitalized with the respective Plant, Property & Equipment at the time of commissioning of such assets.

- f) The estimated useful life of assets are as follows:

Building	03 - 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

- g) The accounting policy related to Leases has been disclosed in Note 2 (13).
- h) Depreciation on tangible 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.
- i) 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 consolidated financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.
- j) The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.
- k) An item of property, plant and equipment is eliminated from the consolidated 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 fixed assets amortised on straight line basis - Technical know how over a period of their useful life of 4 years. 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 derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- e) Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

3.6 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 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., 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 cost directly attributable to acquisition and construction of assets that necessarily takes substantial period of time are capitalised as part of the cost of such assets up to the date when such assets are ready for intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

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 Non Current Assets 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.

Non-current assets (or disposal group) held for sale are measured "higher of an asset's fair value less costs of disposal and its value in use. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

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 conversion 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 on hand and cash equivalents comprise of 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 contains, a lease if the contract conveys the right to control the use of an identified



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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, volume rebates and goods and service tax (GST).

- 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 tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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.

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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 other 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.

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 and 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 Employees Benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be

paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other long-term employee benefit obligations

I. Defined contribution plans

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employees' State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

II. Defined benefit plans

Gratuity: The group provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

The gratuity benefit is funded with the Life Insurance Corporation of India (LIC).

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The group's



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liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under defined benefit plans can be encashed only on discontinuation of service by employee.

The compensated absences scheme is funded with the Life Insurance Corporation of India (LIC).

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 consolidated 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 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 is made but disclosed in the notes.

Contingent assets are not disclosed in the consolidated financial statements unless an inflow of economic benefits is probable.

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 Shares

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

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 other equity as a deduction, net of tax, from the proceeds.

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 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

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3.25 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 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



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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.

3.26 Investments in subsidiary

Investment in subsidiary are measured at cost less impairment loss, if any.

Where an indication of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net

disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

3.27 Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acgrouping 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 consolidated 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

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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 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.

3.28 Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items include general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

3.29 Standards (including amendments) issued but not yet effective

Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The group has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The group has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The group has evaluated the amendment and there is no impact on its consolidated financial statement.

3.30 Standards that became effective during the year

There are no new Standards that became effective during the year.

3.31 Rounding off amounts

All amounts disclosed in consolidated financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

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3 PROPERTY, PLANT & EQUIPMENT (CONSOLIDATED)

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, 2022	440.46	752.68	2119.86	17216.25	1704.65	44.64	65.16	32.11	71.22	22447.02
Additions	-	67.11	155.76	2207.18	172.21	4.10	7.06	20.94	43.01	2677.37
Deductions / Adjustments	9.68	-	-	22.73	11.47	-	-	-	-	43.88
Balance as at March 31, 2023	430.78	819.79	2275.62	19400.70	1865.39	48.74	72.23	53.05	114.23	25080.52
Accumulated Depreciation										
Opening Accumulated depreciation	-	9.70	652.66	5050.35	953.09	28.75	48.17	15.90	63.35	6821.97
Depreciation charge during the year	-	8.37	69.81	746.64	121.18	2.31	5.95	10.46	5.46	970.17
Disposal/Adjustments	-	-	-	14.49	8.72	-	-	-	-	23.21
Closing Accumulated depreciation	-	18.06	722.47	5782.49	1065.55	31.06	54.12	26.35	68.82	7768.93
Net Carrying amount as at 31.03.2023	430.78	801.72	1553.14	13618.21	799.84	17.69	18.11	26.69	45.41	17311.59
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	-	-	-	25.30	-	-	-	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

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 21 and 26 for information on property, plant and equipment pledged as security by the Company.

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4 RIGHT OF USE ASSETS

Particulars	Amount
Balance as at April 01, 2022	22.53
Additions	-
Deductions / Adjustments	-
Balance as at Mar 31, 2023	22.53
Accumulated Depreciation	
Opening Accumulated depreciation	.29
Depreciation charge during the year	.23
Disposal/Adjustments	-
Closing Accumulated depreciation	.52
Total	22.01
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

5 CAPITAL WORK IN PROGRESS

Particulars	Buildings	Plant and equipment	Electrical Installations	Total Capital Work in progress
As at April 01, 2022	141.02	300.95	2.35	444.32
Additions	2384.16	2320.40	186.59	4891.15
Deductions / Capitalised	214.23	2207.18	172.21	2593.62
As at March 31, 2023	2310.95	414.17	16.73	2741.84
As at April 01, 2021	37.11	120.68	-	157.79
Additions	197.60	1349.76	70.84	1618.19
Deductions / Capitalised	93.69	1169.49	68.49	1331.67
As at March 31, 2022	141.02	300.95	2.35	444.32

5.1 Capital Work in Progress - Ageing Schedule :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
AS AT 31-03-2023					
Project in Progress					
Capital Expenditure related to Buildings	2310.95	-	-	-	2310.95
Capital Expenditure related to Plant and equipment	414.17	-	-	-	414.17
Capital Expenditure related to Electricals installations	16.73	-	-	-	16.73
Total	2741.84	-	-	-	2741.84



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5 CAPITAL WORK IN PROGRESS (Contd..)

Particulars	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 Buildings	141.02	-	-	-	141.02
Capital Expenditure related to Plant and equipment	300.95	-	-	-	300.95
Capital Expenditure related to Electricals installations	2.35	-	-	-	2.35
Total	444.32	-	-	-	444.32

6 OTHER INTANGIBLE ASSETS

Particulars	Computer Software	Technical Know How	Product Registration	Total Intangible Assets
Gross carrying value				
Balance as at April 01, 2022	1.79	40.70	50.73	93.22
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2023	1.79	40.70	50.73	93.22
Amortisation				
As at April 01, 2022	1.72	40.70	27.78	70.20
Charge for the year	-	-	10.40	10.40
Disposal	-	-	-	-
As at March 31, 2023	1.72	40.70	38.18	80.59
Net Carrying amount as at 31.03.2023	.07	-	12.55	12.62
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

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, 2022	29.81	29.81
Additions	7.00	7.00
Deductions	-	-
As at March 31, 2023	36.81	36.81
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

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

7 INTANGIBLE ASSETS UNDER DEVELOPMENT (Contd..)

7.1 Capital Work in Progress - Ageing Schedule :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
AS AT 31-03-2023					
Project in Progress					
Product Registration	7.00	21.41	-	8.40	36.81
Total	7.00	21.41	-	8.40	36.81

Particulars	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

71.a. Intangible Assets under Development as at 31st March 2023 and 31st March 2022 comprise expenditure for the development and registration of product, considering there are no stipulated timelines for completion of registration activities.

8 FINANCIAL ASSETS - INVESTMENTS

Particulars	As at 31-03-2023	As at 31-03-2022
Investments in Equity Instruments (Unquoted)		
Investments in Subsidiary (Valued at cost unless stated otherwise)		
Bheema Fine Chemicals Private Limited (420,00,000 Equity Shares (Previous Year 90,00,000 Equity Shares) face value of ₹ 10/- each per Share)	-	-
Total	-	-

9 OTHER FINANCIAL ASSETS

Particulars	As at 31-03-2023	As at 31-03-2022
Non Current		
Security Deposits	384.19	320.86
Balances with Banks:		
In Margin Money accounts with maturity for more than 12 months from balance sheet date.*	174.77	172.01
In Fixed deposit accounts with maturity for more than 12 months from balance sheet date.	71.02	66.98
Interest accrued on margin money & fixed deposits	24.04	18.09
Total	654.03	577.94

*Under lien against letter of credit and bank guarantee

10 OTHER NON CURRENT ASSETS

Particulars	As at 31-03-2023	As at 31-03-2022
Unsecured - considered good unless otherwise stated		
Capital Advances	1087.15	86.44
Total	1087.15	86.44



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

11 INVENTORIES

Particulars	As at 31-03-2023	As at 31-03-2022
Valued at Cost or net realisable value whichever is lower		
Raw Materials	1668.40	2560.95
Raw Materials in bonded ware house	1547.43	990.06
Work in progress	1704.56	1044.01
Finished Goods	3534.95	1796.95
Packing Materials	32.39	36.51
Coal & Fuel	313.45	80.18
Stores, spares & consumables	330.56	284.67
Total	9131.74	6793.33

11.1 The above inventories stand hypothecated in favour of banks against short term-borrowings. (Refer note no 24)

12 TRADE RECEIVABLE

Particulars	As at 31-03-2023	As at 31-03-2022
Unsecured:		
Considered good	12876.52	9658.86
Which have significant increase in credit risk	-	-
Credit impaired	-	11.60
	12876.52	9670.46
Less : Allowance for bad and doubtful debts - Credit impaired	-	11.60
Total	12876.52	9658.86

12.1 Receivables 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 31.03.2023. As on 31.03.2022, a receivable amount of ₹ Nil was due under this category.

12.2 Trade receivables are non interest bearing and generally on terms of 30 to 180 days

12.3 Refer Note 24 for details of security charge on Trade receivables.

12.4 Ageing of trade receivables (Unsecured - Current) :

As at 31.03.2023

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	10085.22	2791.30	-	-	-	-	12876.52
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

12 TRADE RECEIVABLE (Contd..)

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	-	-	-	-	-	-	-

13 CASH & CASH EQUIVALENTS

Particulars	As at 31-03-2023	As at 31-03-2022
Balances with banks in current accounts	81.82	17.85
Balances with banks in EEFC accounts	210.50	201.75
Cash on hand	1.22	.73
Total	293.55	220.34

14 OTHER BANK BALANCES

Particulars	As at 31-03-2023	As at 31-03-2022
Margin Money with original maturity of more than 3 months but less than 12 months *	92.71	81.56
Balances with banks in unclaimed dividend accounts	.85	1.65
Others - PGSI Card	.61	.00
Total	94.17	83.21

*Under lien against letter of credit and bank guarantee

15 CURRENT FINANCIAL ASSETS - LOANS

Particulars	As at 31-03-2023	As at 31-03-2022
Unsecured, considered good	-	-
Loan to Subsidiary	-	-
Total	-	-

16 OTHERS FINANCIAL ASSETS

Particulars	As at 31-03-2023	As at 31-03-2022
Current (Unsecured - considered good unless otherwise stated)	-	-
Staff Advances	9.38	3.19
Accrued Interest on deposits	13.43	10.31
Other advances	5.51	5.52
Total	28.32	19.01



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

17 CURRENT TAX ASSETS (NET)

Particulars	As at 31-03-2023	As at 31-03-2022
Income tax refund receivable (Net of provision)	11.94	1.03
Total	11.94	1.03

18 OTHER CURRENT ASSETS

Particulars	As at 31-03-2023	As at 31-03-2022
Current (Unsecured - considered good unless otherwise stated)		
Advance to suppliers	90.69	100.74
Advance towards expenses	41.73	21.71
Prepaid Expenses	174.06	136.71
Paid towards Rights issue expenses	-	50.32
(Adjusted against rights issue proceeds)	-	-
Balance with statutory/Government Authorities	82.63	301.73
Excess of plan assets over obligations	-	6.48
Total	389.11	617.68

19 EQUITY SHARE CAPITAL

Particulars	As at 31-03-2023	As at 31-03-2022
Authorised		
15,000,000 (Previous Year 10,000,000) Equity Shares of ₹ 10/- each	1500.00	1000.00
Total	1500.00	1000.00
Issued & Subscribed		
1,04,54,583 (Previous Year 83,58,800) Equity Shares of ₹ 10/- each with Voting Rights Fully Paid up	1040.55	835.88
	1040.55	835.88
Paid up		
1,04,05,483 (Previous Year 83,09,700) Equity Shares of ₹ 10/- each with Voting Rights Fully Paid up	1040.55	830.97
Add: Forfeited shares (amount originally paid up) (Refer note no. 19.7)	.00	2.46
Total	1040.55	833.43

19.1 RECONCILIATION OF NUMBER OF SHARES:

Particulars	As at 31-03-2023	As at 31-03-2022
Number of Equity Shares at the beginning of the year	83,09,700	83,09,700
Add: Number of shares issued during the year	20,95,783	-
Number of Equity Shares at the end of the year	1,04,05,483	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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

19 EQUITY SHARE CAPITAL (Contd..)

19.3 SHARES HELD BY ASSOCIATE COMPANY :

Particulars	As at 31-03-2023	As at 31-03-2022
	Number of Shares	Number of Shares
Greenpath Energy Private Limited	4,76,823	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 31-03-2023		As at 31-03-2022	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹ 10/- each held by:				
Sri. Singavarapu Chandra Sekhar	15,90,194	15.28%	12,87,300	15.49%
Ratnabali Investment Private Limited	14,49,457	13.93%	11,59,140	13.95%
Sri. R Venkata Narayana	6,27,305	6.03%	6,28,497	7.56%
Rajasthan Gum Private Limited	5,09,543	4.90%	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 31.03.2023

Promoter Name	No . Of shares	% of Total Shares	% of change during the year
Sri. Singavarapu Chandra Sekhar	15,90,194	15.28%	-0.21%
Greenpath Energy Private Limited	4,76,823	4.58%	-0.06%
Smt. Edara Jayalaxmi	2,47,321	2.38%	-0.03%
Smt. Singavarapu Lalitha Sree	76,470	0.73%	0.01%
Sri. Kudravalli Rama Krishna	30,882	0.30%	0.00%
Sri. T Kalyan Chakravarthi	12,500	0.12%	0.00%
Smt. K Baby	10,000	0.10%	-0.02%
Smt. Potini Vijaya Lakshmi	3,174	0.03%	0.00%

19.4.2 (b) 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%
Smt. Singavarapu Lalitha Sree	60,000	0.72%	0.00%
Sri. Kudravalli Rama Krishna	25,000	0.30%	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 During the year, the Company completed the Rights Issue to eligible equity share holders - 19,55,083 shares and to eligible employees -1,40,700 shares aggregating to 20,95,783 Equity Shares of Face Value of ₹ 10/- each at a price of ₹ 400/- per equity share (including a premium of ₹ 390/- per share which has been credited to securities premium).

Amounts utilized towards Rights Issue expenses of ₹ 138.35 lakhs was charged to Securities Premium.



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

19 EQUITY SHARE CAPITAL (Contd..)

19.6 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.

19.7 Board of directors, in its meeting held on 28-01-2006 has extinguished 49,100 partly paid equity shares, amount originally paid up ₹ 2.46 Lakhs, which was forfeited in the year 2005-06. Accordingly, amount received on the said shares has been added to securities premium and the said extinguishment has also been recorded by depository participants (DP).

19.8 Dividend

The Board of Directors proposed payment of ₹ 3/- @ 30% per equity share as Final Dividend for the financial year ended March 31, 2023 (March 31, 2022 ₹ 2/- per share). An interim dividend of ₹ 1/- per share aggregating to ₹ 104.05 Lakhs was paid during the financial year.

Also, for the year ended 31st March, 2022, the Company had proposed final dividend of ₹ 2/- @ 20% per equity share aggregating for ₹ 208.11 lakhs as final dividend. The same was approved and paid during the year ended 31st March, 2023. An interim dividend of ₹ 1/- per share aggregating to ₹ 83.09 Lakhs was paid during the previous financial year.

20 OTHER EQUITY

Particulars	As at 31-03-2023		As at 31-03-2022	
Securities Premium				
Balance at the beginning of the year		5524.76		5524.76
Add : issued During the Year		8173.55		-
Add : Forfeiture of Shares - transfer from share capital (Refer note no. 19.7)		2.46		-
Less : Rights issue expenses		138.35		-
General Reserve		-		-
Balance at the beginning of the year		902.74		902.74
Retained earnings				
Balance at the beginning of the year		11726.13		-
Less : Equity Dividend (₹ 3/- per equity Share) (Previous Year ₹ 1/- per equity share) (Refer Note 19.8)		312.16		-
Add: Profit for the year		4515.16		-
Less: Other Comprehensive Income/ (loss) net of deferred tax		(109.86)		-
Balance at the end of the year		15819.27		11726.13
Total		30284.42		18153.63

20.1 Nature and purpose of reserves

- Securities premium - Securities premium is used to record the premium on issue of shares. This will be utilised in accordance with the provisions of the Act.
- General reserve - : The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.
- Retained earnings is the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders. Positive balance of retained earnings represents net earnings till date.

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

21 FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31-03-2023	As at 31-03-2022
Non Current Borrowings		
Term Loan (Secured)		
From Axis Bank Limited	1943.51	1000.33
From State Bank Of India	-	277.83
Other Loans (Unsecured)		
Sales tax deferment	167.30	198.23
	2110.81	1476.40
Current Maturities of non current borrowings		
Term Loan (Secured)		
From Axis Bank Limited	375.00	293.55
From State Bank Of India	-	72.50
Other Loans (Unsecured)		
Sales tax deferment	78.62	107.34
	453.62	473.38
Total	1657.19	1003.01

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 Limited				
Term Loan (New)				
Sanction Amount	2475.00	17 Quarterly installments of 1.25 Cr. each & 2 Installments of 1.75 Cr each.	July 2023	As on 31.03.2023 1 YR MCLR + 0.35% i.e 9.25%
Outstanding As on 31-03-2023	1943.51			
Outstanding As on 31-03-2022	.00			
Term Loan II				
Sanction Amount	750.00	16 Quarterly installments of 0.47 Cr. Each	October 2018	As on 31.03.2022 MCLR of 7.35% plus spread 0.55% p.a.
Outstanding As on 31-03-2023	.00			
Outstanding As on 31-03-2022	33.88			
Term Loan III				
Sanction Amount	1000.00	20 Structured stepped up quarterly installments First 4 - 0.25 Cr. each, next 12 - 0.50 Cr. Each & last 4 - 0.75 Cr. Each	November 2020	As on 31.03.2022 MCLR of 7.35% plus spread 0.55% p.a.
Outstanding As on 31-03-2023	.00			
Outstanding As on 31-03-2022	797.40			
From State Bank Of India (GECL 2.0)				
Sanction Amount	290.00	48 Monthly Installments of 0.06 Cr. Each after a Moratorium of 12 Months	March 2022	As on 31.03.2022 MCLR of 6.65% plus spread 1.10% p.a.
Outstanding As on 31-03-2023	.00			
Outstanding As on 31-03-2022	277.83			
From Axis Bank Limited (GECL 2.0)				
Sanction Amount	179.00	36 Monthly Installments of 0.05 Cr. Each after a Moratorium of 12 Months	March 2022	As on 31.03.2022 MCLR of 7.35% plus spread 0.55% p.a.
Outstanding As on 31-03-2023	.00			
Outstanding As on 31-03-2022	169.06			



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

21 FINANCIAL LIABILITIES - BORROWINGS (Contd..)

21.2 Term loan(new) by Axis Bank Limited is secured by exclusive first charge on fixed assets created out of the term loan extended by the term lender and also by 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.

Term loans II & III sanctioned by Axis Bank Limited, which were closed during the financial year were earlier secured by exclusive first charge on fixed assets created out of the term loans extended by the term lender and also by 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.

21.3 Term Loans sanctioned under GECL 2.0 of ₹ 2.90 Cr & ₹ 1.79 Cr by State Bank of India & Axis Bank Limited, respectively, which were closed during the financial year were earlier secured by extension of charge / security interest (both primary & collateral) on a second ranking basis, on the securities available to the banks for the credit facilities enjoyed by the Company then.

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 ₹ 514.50 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 ₹ 514.50 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 ₹ 311.84 Lakhs has been paid till 31.03.2023. Additionally, the deferment amount payable for the years 2019-20, 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 which have to be paid to the government as per the final orders to be received.

21.5. a. The Company has been sanctioned new term loan of ₹ 2475 lakhs during the financial year 2022–23, however, the Company has drawn ₹ 1944 lakhs only out of the sanctioned amount.

Particulars of Loans	Amount Disbursed ₹ 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
Term Loan sanctioned by Axis Bank Limited	1,944	Towards Capital expenditure in property plant and equipment	Yes	-

21.5. b. The Company has not obtained term loan from any Bank/ Financial Institution during the financial year 2021–22.

21.6 Net Debt Reconciliation

Particulars	As at 31-03-2023	As at 31-03-2022
Analysis of net debts and movement in net debts for each of the period presented:		
Current Borrowings	3339.97	7051.47
Non-current borrowings	1657.19	1003.01
Net Debt	4997.17	8054.49

As At 31-03-2023

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings *	
Net debt as at March 31, 2022	1003.01	7051.47	8054.49
Cash Flows (Net)	654.18	(3711.50)	(3057.32)
Net debt as at March 31, 2023	1657.19	3339.97	4997.17

* Includes current maturities of Long Term Debt

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

21 FINANCIAL LIABILITIES - BORROWINGS (Contd..)

As At 31-03-2022

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 31-03-2023	As at 31-03-2022
Lease Liabilities	21.17	21.17
	21.17	21.17

23 OTHER FINANCIAL LIABILITIES

Particulars	As at 31-03-2023	As at 31-03-2022
Other non current liabilities		
Deferred income on government grants	106.73	121.98
Total	106.73	121.98

24 PROVISIONS

Particulars	As at 31-03-2023	As at 31-03-2022
Non current provisions		
For Gratuity & Compensated Absence	-	3.75
Short Term Provisions		
For Gratuity & Compensated Absence	69.88	45.76
Total	69.88	49.52

25 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31-03-2023	As at 31-03-2022
Deferred tax assets relating to:		
Unused tax losses/depreciation	-	-
Expenses allowable on payment basis	20.35	14.42
Ind AS adjustments	-	-
Total deferred tax assets	20.35	14.42
Deferred tax liabilities relating to:		
Property, plant and equipment	1934.60	1726.81
Ind AS adjustments	(75.24)	(25.06)
Total deferred tax liabilities	1859.35	1701.75



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

25 DEFERRED TAX LIABILITIES (NET) (Contd..)

Particulars	As at 31-03-2023	As at 31-03-2022
Deferred tax Liabilities (Net)	(1839.00)	(1687.33)
Add: MAT credit entitlement	332.91	889.43
Total deferred tax liabilities (net)	1506.10	797.90

25.1 DEFERRED TAX ASSETS/(LIABILITIES)

For the year ended March 31, 2023

Particulars	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(1726.81)	(207.79)	-	(1934.60)
MAT credit Entitlement	889.43	(556.52)	-	332.91
Expenses allowed on payment basis	14.42	5.93	-	20.35
Other items giving rise to temporary differences	25.06	5.05	45.13	75.24
	(797.90)	(753.33)	45.13	(1506.10)

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)

26 FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31-03-2023	As at 31-03-2022
Current Borrowings		
Loans repayable on demand		
Working capital loans (Secured)		
From State Bank of India	943.50	1074.72
From Axis Bank Limited	475.98	1401.43
From RBL Bank Limited	398.92	705.54
From ICICI Bank Limited	199.89	757.14
Bill discounting facilities from banks (Unsecured)		
From Axis Bank Limited	852.82	1677.45
From RBL Bank Limited	-	808.92
Credit card due (Unsecured)		
Axis PGSI Card	-	137.64
Current Maturities of long term debts		
Term Loan (Secured)		
From Axis Bank Limited	375.00	293.55
From State Bank Of India	-	72.50
Other Loans (Unsecured)		
Sales tax deferment	78.62	107.34
Deferred income on government grants	15.25	15.25
Total	3339.97	7051.47

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(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 31-03-2023	As at 31-03-2022	As at 31-03-2023	As at 31-03-2022
Loans repayable on demand - Secured				
From State Bank of India	943.50	1074.72	9.30%	7.95%
From Axis Bank Limited	475.98	1401.43	9.45%	7.90%
From RBL Bank Limited	398.92	705.54	10.60%	8.35%
From ICICI Bank Limited	199.89	757.14	9.65%	8.50%
Loans repayable on demand - Unsecured				
From Axis Bank Limited	852.82	1677.45	8.10%	4.50%
From RBL Bank Limited	-	808.92	-	7.00%
Axis PGSI Card	-	137.64	-	7.80%

26.2 Working Capital Facilities :

Working capital facilities extended by State Bank of India, Axis Bank Limited, RBL Bank Limited & ICICI Bank Limited are secured as mentioned below.

1. For Limits sanctioned by SBI, Axis, ICICI & RBL Banks

i) Primary Security:

Pari Passu first charge on current assets of the Company (Present and Future).

Pari Passu Second charge is available to SBI, RBL Bank Limited & ICICI Bank Limited by way of hypothecation on the movable fixed assets of the Company financed by Axis Bank Limited by way of term loan.

ii) Collateral Security :

Pari-passu 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 Limited and equitable mortgage of the company's factory land and buildings in an extent of 71.68 acres situated at Cheruvukommupalem, Ongole.

26.3 The Company has obtained working capital loan from following Bank/ Financial Institution:

- During the financial year 2022-23, the Company has not availed any new working capital limits (except renewal of limits).
- 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 Limited	2500	Working Capital Requirements	Yes	-

27 LEASE LIABILITIES

Particulars	As at 31-03-2023	As at 31-03-2022
Lease Liabilities	1.35	1.35
Total	1.35	1.35



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28 TRADE PAYABLE

Particulars	As at 31-03-2023	As at 31-03-2022
Unsecured considered good:		
Total outstanding dues of micro enterprises and small enterprises	398.80	404.98
Total outstanding dues of creditors other than micro enterprises and small enterprises	5465.38	5053.64
Total	5864.18	5458.62

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 31-03-2023	As at 31-03-2022
Principal amount remaining unpaid	398.80	404.98
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	398.80	404.98

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 2023 has been made in the financial statements based on information received and available with the Company.

28.3 Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-180 days terms.

28.4 Trade Payables ageing schedule : (Unsecured)

As at 31.03.2023

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	398.80	-	-	-	-	398.80
Others	5462.26	3.12	-	-	-	5465.38
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

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28 TRADE PAYABLE (Contd..)

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	-	-	-	-	-	-

29 OTHER FINANCIAL LIABILITIES

Particulars	As at 31-03-2023	As at 31-03-2022
Capital Creditors	190.56	274.25
Unpaid dividends	.85	1.65
Other Payables - Expenses	387.28	310.25
Total	578.69	586.15

29.1 Unpaid dividends will be credited to investors education and protection fund as and when due.

30 OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2023	As at 31-03-2022
Statutory Dues	221.18	49.44
Total	221.18	49.44

31 PROVISIONS

Particulars	As at 31-03-2023	As at 31-03-2022
Short Term Provisions		
For Gratuity & Compensated Absence	69.88	45.76
Total	69.88	45.76

32 CURRENT TAX LIABILITIES

Particulars	As at 31-03-2023	As at 31-03-2022
Provision for Income tax (Net of Advance tax and TDS/TCS)	-	74.62
	-	74.62



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(Amount in Indian Rupees in lakhs unless otherwise stated)

33 REVENUE FROM OPERATIONS

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Sale of products		
Manufactured products	50142.82	43083.15
Traded Goods	57.08	374.05
Sale of Services		-
Other Operating Revenues		-
Export Incentives	4.14	107.79
Scrap Sales	5.10	1.75
Total Revenue from operations	50209.13	43566.74

33.1 DETAILS OF SALE OF PRODUCTS :

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Manufactured products - Domestic	44814.11	32541.51
Manufactured products - Export	5328.71	10541.64
Traded Goods -Sale of Raw Materials	57.08	374.05

34 OTHER INCOME

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest Income on		
Deposits and Margin money held	34.65	26.63
Gain on foreign currency transactions & translations	58.06	13.87
Government Grant amortised	15.25	15.25
Miscellaneous Income	17.95	29.19
Total	125.91	84.94

35 COST OF MATERIAL CONSUMED

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Raw Material Consumption		
Inventory at the beginning of the year	2560.95	1755.46
Add: Purchases	32417.21	27642.24
	34978.17	29397.69
Less: Inventory at the end of the year	1668.40	2560.95
Cost of raw material consumed	33309.77	26836.74
Purchase of traded goods	41.22	374.05
Packing Material Consumption		
Inventory at the beginning of the year	36.51	21.35
Add: Purchases	384.82	353.03
	421.33	374.38
Less: Inventory at the end of the year	32.39	36.51
Cost of packing material consumed	388.93	337.87
Total	33739.92	27548.66

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

36 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Inventories at the beginning of the year		
Work-In-Progress	1044.01	938.48
Finished goods	1796.95	2023.37
	2840.96	2961.85
Inventories at the end of the year		
Work-In-Progress	1704.56	1044.01
Finished goods	3534.95	1796.95
	5239.51	2840.96
Increase/(Decrease) in inventories of finished goods and work-in-progress	(2398.55)	120.89

37 EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Salaries & Wages	2247.39	1835.35
Directors' Remuneration & Commission	208.16	165.00
CEO Commission	46.41	20.34
Contribution to provident fund & other funds	157.83	134.57
Gratuity Expenses	46.87	32.55
Compensated absence	34.96	23.60
Staff Welfare Expenses	215.34	178.28
Total	2956.96	2389.69

38 FINANCE COST

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest on term loan	29.65	124.97
Interest on working capital loan	110.23	219.18
Interest towards delayed payment of statutory dues	1.14	9.40
Interest to others	86.36	151.03
Interest on financial liabilities recognised on amortised cost	14.21	14.00
Bank Charges & Processing Fee	63.69	71.14
Cash Discount	192.69	318.10
Interest On Lease Liability	1.35	.97
Total	499.32	908.78

39 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Depreciation	970.17	860.36
Amortization	10.62	12.68
Total	980.79	873.04



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for the year ended March 31, 2023

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40 OTHER EXPENSES

Particulars	Year ended 31.03.2023		Year ended 31.03.2022	
Manufacturing Expenses :				
Consumption of stores, spares & consumables	1401.91		1116.30	
Power and Fuel	4061.66		3104.71	
Insurance	130.20		109.07	
Effluent treatment expenses	434.73		480.16	
Freight Inwards	10.92		8.53	
Water Transport Charges	64.62		71.59	
Testing and Lab charges	4.31		4.30	
Factory maintenance	178.41		136.34	
Repairs & maintenance	-		-	
Plant and machinery	207.02		207.30	
Buildings	255.87		243.70	
Others	40.51		4.64	
		6790.17		5486.64
Administration, Selling and Other Expenses				
Rent	37.50		34.70	
Rates and taxes	54.04		22.06	
Research and Development expenses	159.84		143.74	
Printing and stationery	28.99		25.67	
Consultancy and other professional charges	200.03		117.26	
Remuneration to auditors	-		-	
- Audit Fee	10.50		8.50	
Remuneration to cost auditors	1.00		1.00	
Remuneration to Internal Auditors	3.00		2.50	
Travelling and conveyance	46.99		24.71	
(Including foreign travel ₹ 6,03,956, Previous Year - 1,34,400/-)	-		-	
Communication expenses	14.36		13.80	
Vehicle Maintenance	50.37		47.86	
Other selling expenses	534.32		507.44	
CSR Expenses	61.78		46.89	
Miscellaneous Expenses	185.38		197.02	
		1388.10		1193.14
Total		8178.28		6679.78

41 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 31.03.2023	Year ended 31.03.2022
Remeasurement costs on net defined benefit liability	(154.99)	(103.40)
Deferred tax effect on remeasurement costs on net defined benefit liability	45.13	30.11
Total	(109.86)	(73.29)

Notes to Consolidated Financial Statements

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42 Details of Expenses on Corporate Social Responsibility Activities:

As Per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2023 was ₹ 61.78 Lakhs (Previous Year ₹ 46.89 Lakhs), Computed at 2% of its average net profits for the immediately preceding three financial years, towards discharge of Corporate Social Responsibility (CSR) obligation.

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Gross Amount required to be spent as per Section 135 of the Act	61.78	46.89
Add: Amount Unspent from previous years	-	-
Less: Excess Spent from previous year	-	-
Total Gross amount required to be spent during the year	61.78	46.89
Amount approved by the Board to be spent during the year	61.78	46.89
Amount spent during the year on		
(i) Construction/acquisition of an asset	36.69	-
(ii) On purposes other than (i) above	25.09	46.89

Details related to amount spent/ unspent

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Contribution towards on going project	-	-
Spent on CSR activities	61.78	46.89
Contribution to CSR Programme	-	-
Accrual towards unspent obligations in relation to:		
Ongoing projects	-	-
Other than Ongoing projects	-	-
TOTAL	61.78	46.89

Details of excess CSR expenditure

Nature of Activity	Balance excess as at 1 April 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess as at 31 March 2023
CSR Activities for the Financial Year 2022-23	-	61.78	67.11	5.33

Disclosures on Shortfall

Particulars	March 31, 2023	March 31, 2022
Amount Required to be spent by the Company during the year	61.78	46.89
Actual Amount Spent by the Company during the year	61.78	46.89
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall - State reasons for shortfall in expenditure	Not Applicable	Not Applicable

Nature of CSR activities

Particulars	March 31, 2023	March 31, 2022
Rural Development Projects	37.11	3.71
Promoting Education	25.00	13.02
Disaster Management	5.00	10.00
Promoting Health Care	-	20.16
Amount Spent during the Year	67.11	46.89



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

42 Details of Expenses on Corporate Social Responsibility Activities: (Contd..)

Details of related party Transactions :

The Company has contributed ₹ 36.69 Lakhs (Previous Year- Nil) by way of transfer of a capital asset to Singavarapu Koteswara Rao Charitable Trust, which is related party. This amount forms part of the of the CSR spend of the Company during the financial year 2022-23.

43 TAXES

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
a. Income Tax Expense recognised in the Statement of Profit & Loss:		
Current Tax	1109.32	881.10
Adjustment for MAT	556.52	465.82
Deferred tax Charge/(Credit)	196.81	206.51
Earlier years Tax	.50	2.63
Total Income tax Expenses recognised in statement of profit & loss	1863.15	1556.06
Net (gain)/ loss on Measurement of Defined Benefit plan net of Deferred tax Charged/(Credit) to OCI	(109.86)	(73.29)
b. Reconciliation of effective tax rate:		
Profit before tax (A)	6378.31	5130.83
Enacted tax rate in India (B)	.00	.00
Expected Tax Expenses (C=A*B)	1857.36	1494.10
Adjustments for permanent difference:		
Weighted deduction U/s 35 (2AB) under the Income Tax Act,1961	182.72	.00
Expenses not deductible for tax purpose	67.28	55.10
Tax due to change in tax rate	.00	27.21
Others	(230.12)	130.46
Total	19.88	212.77
Profit after adjusting permanent difference	6398.19	5343.60
Expected Tax expenses	1863.15	1556.06
Total Tax expense	1863.15	1556.06

44 EARNINGS PER SHARES

44.1 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 potentially dilutive equity shares into equity shares.

44.2 The Basic and diluted EPS per share is given hereunder

Particulars		Year ended 31.03.2023	Year ended 31.03.2022
Profit / (Loss) as per Profit and Loss Account	₹	4515.16	3574.78
Net Profit / (Loss) attributable to Equity Share holders	₹	4515.16	3574.78
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.	1,04,05,483	83,09,700
Weighted average No of equity shares in computing basic EPS	Nos.	1,01,81,550	83,09,700
Weighted Average number of Equity Shares in computing diluted earnings per share	Nos.	1,01,81,550	83,09,700
Face value of each equity share	₹	10	10
Earnings per share			
- Basic (Annualised)	₹	44.35	43.02
- Diluted (Annualised)	₹	44.35	43.02

Notes to Consolidated Financial Statements

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45 Leases

The movement in Lease liabilities during the year:

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Opening Balance	22.53	22.91
Additions during the year	-	-
Finance costs incurred during the year	1.35	.97
Payments of Lease Liabilities	1.36	1.36
Closing Balance	22.52	22.53

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, 2023	March 31, 2022
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	52.23	36.53
Interest cost	(5.36)	(3.98)
Expected return on plan assets	-	-
Net actuarial(gain) / loss recognised in the period/ year	24.33	28.74
Benefits paid	3.50	(3.31)
Net employee benefit expenses	74.70	57.98
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	507.97	383.56
Fair value of plan assets	493.33	390.03
	14.64	(6.48)
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	383.56	271.94
Current service cost	52.23	36.53
Interest cost	26.08	18.11
Benefits paid	(57.45)	(20.44)
Remeasurement due to financial assumptions	79.23	48.67
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	24.33	28.74
Closing defined benefit obligation	507.97	383.56
D) Change in the fair value of plan assets		
Opening fair value of plan assets	390.03	273.72
Interest Income on Planned assets	31.44	22.09
Contributions	132.81	111.35
Benefits paid	(57.45)	(20.44)
Actuarial gain/(loss) on plan assets	(3.50)	3.31
Closing fair value of plan assets	493.33	390.03
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 Consolidated Financial Statements

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46 Employee benefits (Contd..)

Particulars	March 31, 2023	March 31, 2022
E) Remeasurement adjustments:		
Experience loss/ (gain)	24.33	28.74
Financial Assumptions loss/ (gain)	79.23	48.67
Return on Plan Assets	3.50	(3.31)
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	107.06	74.10
i) The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Discount rate	7.51%	7.35%
Expected rate of return on assets	0.00%	0.00%
Salary rise	8.00%	6.00%
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.		
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	507.97	383.56
Plan assets	493.33	390.03
Surplus / (deficit)	14.64	(6.48)

46.2 Compensated absence

Defined Benefit Plans

Particulars	March 31, 2023	March 31, 2022
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	34.15	23.07
Interest cost	17.52	12.71
Expected return on plan assets	-	-
Net actuarial(gain) / loss recognised in the period/ year	19.74	2.77
Benefits paid	11.47	14.34
Net employee benefit expenses	82.89	52.89
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	326.86	249.95
Fair value of plan assets	271.62	200.44
	55.24	49.52
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	249.95	185.84
Current service cost	34.15	23.07
Interest cost	17.52	12.71
Benefits paid	(23.25)	(4.29)
Remeasurement due to financial assumptions	28.75	29.84
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	19.74	2.77
Closing defined benefit obligation	326.86	249.95

Notes to Consolidated Financial Statements

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46 Employee benefits (Contd..)

Particulars	March 31, 2023	March 31, 2022
D) Change in the fair value of plan assets		
Opening fair value of plan assets	200.44	167.30
Expected return on plan assets	.56	3.32
Contributions	93.87	34.11
Benefits paid	(23.25)	(4.29)
Actuarial gain/(loss) on plan assets	.00	.00
Closing fair value of plan assets	271.62	200.44
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)	19.74	2.77
Financial Assumptions loss/ (gain)	28.75	29.84
Return on plan assets	(.56)	(3.32)
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	47.93	29.30
i) The principal assumptions used in determining Leave Encashment for the Company's plans are shown below:		
Discount rate	7.51%	7.35%
Expected rate of return on assets	0.00%	0.00%
Salary rise	8.00%	6.00%
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.

46.3 Defined Contribution Plan

Particulars	March 31, 2023	March 31, 2022
Contribution to Provident Fund	146.72	121.41
Contribution to Superannuation Fund	-	-

47 COMMITMENTS & CONTINGENCIES

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
a. Commitments:		
Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	6832.28	277.20
Total	6832.28	277.20
b. Contingent Liabilities:		
i) Outstanding bank guarantees	5.00	5.00
ii) Letters of Credit	781.22	749.89
iii) Indirect Taxes - GST	65.69	65.69
iv) Indirect Taxes - Entry Tax	9.10	9.10
v) Indirect Taxes - CVD & SAD (Refer Note 44)	39.92	39.92
vi) Demand for direct taxes under appeal*	71.50	-
Total	972.43	869.60

* Pertains to income tax demand/matters on account of deductions / re-opening for earlier years, pending appeals filed consequent to order passed by Honourable Income Tax Tribunal to restore the issue to the file of Commissioner of Income Tax (Appeals) with a direction to adjudicate the issue of validity of reassessment proceedings as well as claim of deductions.



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(Amount in Indian Rupees in lakhs unless otherwise stated)

47 COMMITMENTS & CONTINGENCIES (Contd..)

(In respect of the above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various forums / authorities. The Company has assessed that it is only possible but not probable that the outflow of economic resources will be required)

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 crop care 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, 2023	Year Ended March 31, 2022
Segment revenue (based on the location of the customers)		
India	44871.18	32915.57
Europe	1065.26	4070.02
North America	3197.71	4294.71
South America	344.52	1503.55
Rest of the World	721.21	673.36
Total	50199.89	43457.21

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Segment assets (based on the location of the assets)		
India	21866.05	16808.83
Total	21866.05	16808.83

50 PAYMENTS TO AUDITORS (excluding GST)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
A) Statutory auditors		
Statutory audit	10.50	8.50
	10.50	8.50
B) Cost auditors		
Audit fee	1.00	1.00
Others	.05	.05
	1.05	1.05

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

51 RESEARCH AND DEVELOPMENT

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Details of expenditure on R & D		
i) Details of Revenue expenditure		
Cost of Materials Consumed		
Laboratory Expenses and Consumables	84.59	85.05
Employee Benefits Expenses		
Salaries, Wages and Bonuses	70.27	48.05
Other Expenses		
Repairs and Maintenance	4.99	10.63
ii) Capital Expenditure		
Plant & Machinery	182.72	-
Building related material	53.28	-
	395.84	143.74

52 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

AS AT 31-03-2023

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-22	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	6186.35	6185.48	.87	On account of difference in apportionment of overheads in WIP & FG while submitting the stock statement to the Bank.
		Receivables	10871.03	10871.03	-	-
		Payables	4790.19	4790.19	-	-
Sep-22	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	6813.79	6784.52	29.27	On account of difference in apportionment of overheads in WIP & FG and the Duty paid against the inventory lying in the warehouse which was not included while submitting the stock statement to the Bank.
		Receivables	12018.79	12018.79	-	-
		Payables	5918.34	5918.34	-	-
Dec-22	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	7820.14	7846.57	(26.43)	On account of difference in apportionment of overheads in WIP & FG and variation in average prices of Raw materials while submitting the stock statement to the Bank.
		Receivables	14993.11	14993.11	-	-
		Payables	6149.72	6149.72	-	-
Mar-23	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	8801.18	8800.31	.87	On account of difference in apportionment of overheads in WIP & FG while submitting the stock statement to the Bank.
		Receivables	12876.52	12876.52	-	-
		Payables	5534.56	5534.56	-	-



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

52 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 Limited and RBL Bank Limited	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 is shown as trade receivables while submitting stock statement
		Payables	3770.36	3770.36	.00	-
Sep-21	State Bank of India, Axis Bank Limited and RBL Bank Limited	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 is 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 Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	6996.73	6947.12	49.60	Inventory lying in Warehouse is not considered while submitting stock statement of ₹ 41,97 Lakhs.
		Receivables	6179.77	6225.89	(46.12)	Advance payment to trade payables is 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 Limited, ICICI Bank Limited and RBL Bank Limited	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 is 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 Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in Lakhs unless otherwise stated)

53 RATIOS :

S No.	Ratio	Particulars		March 31, 2023		March 31, 2022		Ratio as on		Variation	Reason (If variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	March 31 2023	March 31 2022		
(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	22825.35	10075.25	17393.46	13267.43	2.27	1.31	72.81%	The improvement in current ratio is owing to infusion of rights issue proceeds in the working capital system in addition to the profits earned by the company during the year.
(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	2110.81	31324.97	1476.40	18987.05	0.07	0.08	(13.34%)	-
(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	5995.27	1331.99	5356.60	5770.8	4.50	9.28	(51.51%)	Due to pre closure of term loan out of the rights issue proceeds, debts has been reduced significantly.
(d)	Return on Equity Ratio	Net Income= Net Profits after taxes – Preference Dividend	Shareholder's Equity	4515.16	31324.97	3574.78	18987.05	0.14	0.19	(23.44%)	-
(e)	Inventory Turnover Ratio	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	31300.15	7962.53	27295.50	5915.44	3.93	4.61	(14.81%)	-
(f)	Trade Receivables Turnover Ratio	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	50204.99	11267.69	43458.96	7812.32	4.46	5.56	(19.90%)	-
(g)	Trade Payables Turnover Ratio	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	37834.21	5661.40	31521.98	5044.62	6.68	6.25	6.95%	-
(h)	Net Capital Turnover Ratio	Revenue	Average Working Capital= Average of Current assets – Current liabilities	50335.03	8438.07	43651.68	3011.27	5.97	14.50	(58.85%)	During the year, rights issue proceeds were infused in the working capital system resulting in improved working capital availability and the benefits of increase in capital shall accrue over a period of time.
(i)	Net Profit Ratio	Net Profit	Net Sales	4515.16	50335.03	3574.78	43651.68	0.09	0.08	9.54%	-
(j)	Return on Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	6877.63	34616.16	6039.61	20934.87	0.20	0.29	(31.13%)	The variance is on account of equity infusion during the year.
(k)	Return on Investment	Net Profit	Net Investment= Net Equity	4515.16	31324.97	3574.78	18987.05	0.14	0.19	(23.44%)	-



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

54 Related party disclosures

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company

Names of related parties and description of relationship

Name of the related party	Relationship
Enterprises under the significant influence of persons having significant influence over this company	
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.
Singavarapu Koteswara Rao Charitable Trust	Mr.S.Chandra Sekhar, Managing Director, is Chairman & Managing Trustee
Key Management Personnel	
Sri. K S Raju	Independent Director & Chairman
Sri. S Chandra Sekhar	Managing Director
Sri. Sudhakar Kudva	Independent Director
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 (Upto 13-05-2022)
Sri. A Arvind Kumar	Chief Executive Officer
Sri. B Krishna Mohan Rao	Chief Financial Officer
Smt. R Sharanya	Company Secretary

Note : Names of related parties and description of relationship as identified and certified by the Company.

Transactions during the year:

Particulars	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2023
a) Enterprises under the significant influence of persons having significant influence over this company		
Purchase of Goods / Services (Including duties and taxes)		
VNA Express & Logistic Solutions	-	6.27
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
Loans repaid during the year to the enterprise	-	456.98
Interest on Loans paid to the enterprise	-	18.99
Singavarapu Koteswara Rao Charitable Trust		
Contribution made towards CSR Expenditure	36.69	-
c) Key Management Personnel		
i) Sri. S Chandra Sekhar		
Remuneration including commission	214.33	141.48
Unsecured loans taken from him	-	140.00
Unsecured loans Repaid to him	-	441.41

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

54 Related party disclosures (Contd..)

Particulars	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2023
Interest on Unsecured loans paid to him	-	12.77
ii) Sri. K S Raju		
Sitting Fees	1.35	1.45
iii) Sri. Sudhakar Kudva		
Sitting Fees	2.45	2.60
iv) Sri.D Sadasivudu		
Sitting Fee	-	.25
v) Smt. S Lalitha Sree		
Sitting Fee	1.40	1.70
vi) Sri. G S V Krishna Rao		
Sitting Fee	2.15	2.40
vii) Sri.Kishor Shah		
Sitting Fee	.95	1.90
viii) Smt. G Aruna		
Sitting Fee	1.55	1.60
ix) Sri. Ketan Chamanlal Budh		
Remuneration & Perquisites	9.12	32.16
x) Sri. A Arvind Kumar		
Remuneration (Including Commission & Perquisites)	118.33	73.61
xii) Sri.B Krishna Mohan Rao		
Remuneration & Perquisites	45.29	30.74
xiv) Smt R Sharanya		
Remuneration & Perquisites	18.23	.94
xiii) Smt. Saheli Banerjee		
Remuneration	-	9.87

Closing Balances

Particulars	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2023
a) Key Management Personnel		
i) Sri. S Chandra Sekhar		
Commission Payable	69.61	45.00
Guarantee given for borrowings	-	4791.65
ii) Sri. A Arvind Kumar		
Commission Payable	46.41	22.80

In compliance with Ind AS - 27: "Separate financial statements", The required information is as under:

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

There have been no guarantees provided or received for any related party receivables or payables.

No balances in respect of the related parties has been provided for written off / written back.



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

55 Following are the details of loans given to subsidiaries, associates and other entities in which directors are interested in terms of regulation 53 (F) read together with Para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2013).

SUBSIDIARIES	OWNERSHIP INTEREST		
	COUNTRY OF INCORPORATION	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2022
Bheema Fine Chemicals Private Limited	India	100%	100%

Particulars	Investments in equity		Gross loan outstanding as at		Maximum amount of loans outstanding at any time during the year	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Bheema Fine Chemicals Private Limited	4200.00	900.00	-	40.49	2406.71	165.42

56 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

As at 31.03.2023

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount ₹	As a % of consolidated profit or loss	Amount ₹	As a % of consolidated profit or loss	Amount ₹	As a % of consolidated profit or loss	Amount ₹
Parent - Bhagiradha Chemicals and Industries Limited	86.92%	27280.83	101.47%	4640.99	100.00%	(109.86)	101.51%	4531.14
Subsidiary - Bheema Fine Chemicals Private Limited	13.08%	4104.75	(1.47%)	(67.37)	0.00%	-	(1.51%)	(67.37)
Total	100.00%	31385.57	100.00%	4573.63	100.00%	(109.86)	100.00%	4463.77

As at 31.03.2022

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount ₹	As a % of consolidated profit or loss	Amount ₹	As a % of consolidated profit or loss	Amount ₹	As a % of consolidated profit or loss	Amount ₹
Parent - Bhagiradha Chemicals and Industries Limited	95.41%	18117.07	100.37%	3590.26	100.00%	(73.19)	100.38%	3516.97
Subsidiary - Bheema Fine Chemicals Private Limited	4.59%	872.11	(0.37%)	(13.35)	0.00%	-	(0.38%)	(13.35)
Total	100.00%	18989.18	100.00%	3576.91	100.00%	(73.19)	100.00%	3503.62

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

57 The following disclosures shall be made 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:

Year Ended March 31, 2023

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		-	0%
Related Parties (Subsidiary)		Not Applicable		-	0%
Total of Loan and Advances in the nature of Loan		Not Applicable		-	0%

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%

58 The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

59 Wilful Defaulter

The Company has not defaulted in servicing the debt availed from banks, financial Institutions or any other lender and is therefore not a defaulter or wilful defaulter as defined by RBI Circular.

60 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

61 Registration of charges or satisfaction with Registrar of Companies :

The Company does not have any pending charges to be created or satisfaction charge to be filed with ROC beyond the statutory period.

62 Compliance with number of layers of companies :

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

63 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the current year as well as in the previous year in the tax assessments under the Income Tax Act, 1961, such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

64 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

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65 Utilisation of Borrowed funds and share premium:

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) out of its borrowed funds or share premium or any other source with the understanding that the Intermediary shall:
- (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

66 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 is 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 comprise 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 comprise of Inter corporate borrowing and have 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, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Financial assets at fair value through profit & loss				
Investments	-	-	-	-
Financial Assets at amortised cost				
Loans	-	-	-	-
Deposits & Others	682.35	596.96	-	-
Trade Receivables	12876.52	9658.86	-	-
Cash & Cash Equivalents	293.55	220.34	-	-
Bank Balances other than above	94.17	83.21	-	-
Financial Liabilities at amortised cost				
Borrowings (Non Current & Current)	4981.92	8039.24	167.30	198.23
Interest accrued	15.25	15.25	-	-
Trade Payables	5864.18	5458.62	-	-
Capital Creditors & Others	578.69	586.15	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

67 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.

67.1 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, 2023	March 31, 2022
Not Due	10085.22	9033.54
0 - 90 Days	2791.30	624.66
90 - 180 Days	-	.59
180 - 270 Days	-	.08
270 - 365 Days	-	-
More than 360 Days	-	-
Total	12876.52	9658.86

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 ₹ 216.67 Lakhs at March 31, 2023 (March 31, 2022: ₹ 218.17 Lakhs). This includes the cash and cash equivalents held with the bank and the cash on hand with the Company.

67.2 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 loans from bank. The borrowed funds are generally applied for Company's own operational activities.



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

67 Risk management (Contd..)

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 :

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-23					
Total Borrowings	3324.73	1013.67	627.45	100.10	5065.94
Interest Payable	15.25	-	-	-	15.25
Trade Payables	5864.18	-	-	-	5864.18
Other Payables	29.98	-	-	-	29.98
	9234.13	1013.67	627.45	100.10	10975.35

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-22					
Total Borrowings	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

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 through credit facilities like cash credit, suppliers/buyers credit.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates expose 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, 2023	March 31, 2022
Floating rate instruments		
Financial Liabilities - measured at amortised cost		
Term loan from banks	1943.51	1278.16
Working capital facilities from bank	2018.29	3938.84
Bills Discounting	852.82	2486.37
Credit Card Dues	-	137.64
Fixed rate instruments		
Loan from intercorporates (Unsecured)	-	-
Loan from Directors (Unsecured)	-	-
Total	4814.62	7841.01

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

67 Risk management (Contd..)

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-23		
Variable rate loan instruments	12.04	(12.04)
31-Mar-22		
Variable rate loan instruments	19.60	(19.60)

67.3 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, 2023 & March 31, 2022 are in Indian Rupees.

Particulars	March 31, 2023	March 31, 2022
	USD	USD
Financial Assets		
Cash & Cash equivalents	210.50	201.75
Trade & Other Receivables	725.87	2428.43
	936.37	2630.18
Financial Liabilities		
Trade & Other Payables	2106.84	1562.64
Advance from Customers	-	-
	2106.84	1562.64
Net Exposure	(1170.47)	1067.53



Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

67 Risk management (Contd..)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars as at March 31 would have affected the measurement of financial instruments denominated in US dollars 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.

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31-Mar-23				
1% movement				
USD	(11.70)	11.70	-	-
	(11.70)	11.70	-	-

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31-Mar-22				
1% movement				
USD	10.68	(10.68)	-	-
	10.68	(10.68)	-	-

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.

68 Disclosure Regarding Derivative Instruments and Unhedged Foreign Currency Exposure

Foreign currency exposures not covered by derivative instruments or otherwise as at 31st March, 2023 and 31st March, 2022 are as under :

Particulars	Foreign	Indian rupees	Foreign	Indian rupees
	currency USD		currency USD	
	As at 31 st March 23		As at 31 st March 22	
Trade Payables	25.64	2106.84	20.62	1562.64
Trade Receivables	8.83	725.87	32.04	2428.43

Notes:

As at 31st March, 2023 1 USD = INR 82.1700

As at 31st March, 2022 1 USD = INR 75.79250

Notes to Consolidated Financial Statements

for the year ended March 31, 2023

(Amount in Indian Rupees in lakhs unless otherwise stated)

69 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, 2023	March 31, 2022
Non Current borrowings	1657.19	1003.01
Current borrowings	3339.97	7051.47
Total Debts	4997.17	8054.49
Less: Cash & Cash equivalents	216.67	218.17
Other bank deposits	94.17	83.21
Adjusted net debts	4686.32	7753.10
Equity	1040.55	833.43
Other Equity	30298.96	18168.17
Total Equity	31339.51	19001.59
Adjusted net debt to equity ratio	0.15	0.41

70 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.

71 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 **R Kankaria & Uttam Singhi**
Chartered Accountants
Firm Registration No: 000442S

For and on behalf of the Board of Directors

Bhagiradha Chemicals & Industries Limited
CIN NO. L24219TG1993PLC015963

Rajendra Kankaria
Partner
Membership No.: 022051/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 13.05.2023

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

R Sharanya
Company Secretary



BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED

CIN : L24219TG1993PLC015963

Registered Office

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

Banjara Hills, Hyderabad - 500 034

Tel: + 91-40-42221212/2323, 23540616

Email: info@bhagirad.com

Factory

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Prakasam District, Andhra Pradesh

