



Bhagiradha Chemicals & Industries Limited.

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Ref: BCIL/SE/2021/36

July 16, 2021

To
The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Scrip Code: 531719

Sub: Notice of the 28th Annual General Meeting and the Annual Report for FY 2020-21 as per Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) ('SEBI (LODR)') Regulations, 2015

Dear Sir / Madam,

Pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015, please find enclosed the Notice convening the 28th Annual General Meeting (AGM) of shareholders and the 28th Annual Report for the financial year 2020-21 which will be circulated to the shareholders through electronic mode for the AGM to be held on Tuesday, August 10, 2021, at 11.00 AM (IST) through video conference (VC)/ Other Audio Visual Means (OAVM).

The Notice and the 28th Annual Report will also be made available on the Company's website at www.bhagirad.com

The Schedule of events are as follows:

Date and Time of AGM	Tuesday, August 10, 2021; 11:00 A.M. (IST)
Eligibility date for participation in the AGM	Tuesday, August 3, 2021
Remote e-voting start date and time	From 9.00 a.m.(IST) on August 6, 2021
Remote e-voting end date and time	Up to 5.00 p.m.(IST) on August 9, 2021
Website of CDSL for remote e-voting and participation in the AGM through VC for Non-Individual Shareholders	https://www.evotingindia.com/
Website for registration in IDEAS Portal for Individual shareholders holding demat with NSDL for remote e-voting and participation in the AGM through VC	https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
Website for registration in Easi/Easiest Portal for Individual shareholders holding demat with CDSL for remote e-voting and participation in the AGM through VC	https://web.cdslindia.com/myeasi/Registration/EasiRegistration

This is for your information and records.

Thanking you,
Yours Faithfully,

For **Bhagiradha Chemicals and Industries Limited**

Saheli Banerjee
Saheli Banerjee
Company Secretary & Compliance Officer
Encl: a/a





Bhagiradha Chemicals and
Industries Limited

Making the Right Moves



Creating Value

We are determined to meet the growing expectations of our stakeholders in an evolving world and well-set to augment our innovation and R&D capabilities to develop processes for such technicals and intermediates that meet our clients' needs. We are going to invest in new capacities to meet the growing demand for agrochemicals and making our business more sustainable through cost effective technologies thus placing ourselves in a better position to create long-term value for our stakeholders.

OUR SIX CAPITALS



Financial capital

The multiple sources of funds (both debt and equity) we use to create wealth.



Manufacturing capital

The physical assets and equipment in which we have invested to build capacities and enhance operational efficiency.



Intellectual capital

Our market intelligence, quality, R&D capabilities that enhance our competitiveness.



Social & Relationship capital

Long-term relationships with the supply partners and customers that we are nurturing to make our business more stable.



Human capital

Investments made in the welfare, engagement, skill enhancement, health and safety of our people to ensure value creation.



Natural capital

The natural resources we use conservatively and the impact of our operations on the environment which we strive to reduce.

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Making the right move necessitates a deep understanding of the business, a clear vision of the future and an unflinching willingness to take the right risks and push beyond current competencies.

This is how, we, at Bhagiradha Chemicals have grown in our 25+ years of existence. We always looked beyond the available product basket with us by leveraging our R&D competencies and consistently came out with new processes for different products. Spread across multiple geographies as a preferred supplier to leading companies with our unwavering focus on quality and timely supplies, we have set new benchmarks in operational excellence and viable practices.

Today, we are a respected brand in the agrochemical industry. With a capacity of 3,250 MTPA and a range of 15 products, we are ably meeting the growing needs of our customers across 14 countries in 5 continents.

We believe that it is time now for us to make the right moves and graduate to the next level of growth.

We are consolidating our multiple years of knowledge and R&D capabilities to broaden the portfolio of our value added products. Steps are on the anvil to expand production capacity and drive operational excellence by investing in a state of the art manufacturing facility through our subsidiary, Bheema

Fine Chemicals Private Limited for expanding the much needed production capacity of the group.

Actions are being taken to expedite products registration across different geographical segments given its importance in capturing market share.

To enable informed decision making and achieve high level of efficiency in company's management operations, implementation of ERP solutions across modules has been initiated.

We are modernising our manufacturing facilities with emphasis on enhancing safety, operational efficiency, quality control and regulatory compliance.

With our concerted efforts, we are confident of a bigger, better and stronger future.





Bhagiradha Chemicals: A Trusted Name in the Agrochemicals Landscape

PROFILE

Promoted by Late Sri Singavarapu Koteswara Rao and Sri Dodda Sadasivudu in 1993, Bhagiradha Chemicals is a globally known R&D driven Agrochemical Company headquartered in Hyderabad, India. Inspired by its promoters and by dint of hard work of their successors and committed workforce, Bhagiradha has emerged as a leading manufacturer of high quality technical grade agrochemicals and their intermediates, positively impacting industries, customers and farmers. Led by a highly qualified and passionate top management with proven skills, it is making steady progress in realizing its long-term growth objectives. Its shares are listed on BSE Limited.

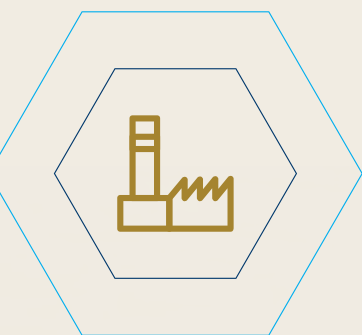
OUR MANUFACTURING FACILITY

Spread across 29.00 hectares, our plant is located at eastern coastal town of Ongole (Andhra Pradesh), 95 miles from the state capital of Andhra Pradesh. It has three production blocks with a cumulative reactor volume of 1076 KL and aggregate built up area of 76,000 Sq ft.

The facility has an extensive storage area – 7,200 sq ft for raw materials, 4,000 sq ft for finished product and 3,200 sq ft for packing materials – which ensures uninterrupted operations. It is equipped with farm tanks for bulk storage of solvents.

OUR DIVERSE MANUFACTURING CAPABILITIES

- Synthesis of substituted pyridines / pyrimidines
- Pressure reactions
- Optically active propionates
- C-C coupling
- Side chain and ring chlorination
- Bromination
- Halex reactions using KF
- Low temperature diazotization
- Reactive distillations
- Amination
- Claisen condensation

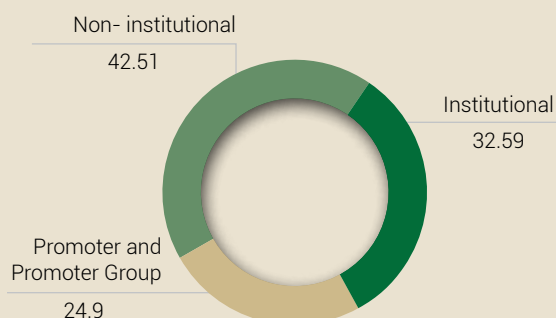


**VISION**

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.

OUR OWNERSHIP STRUCTURE**OUR SCALE OF OPERATIONS****3,250 MT**

Manufacturing capacity

**318 Crs**

Turnover

**23 Crs**

Profit

**49 Crs**

EBITDA

**15**

Products

**14**

Countries



Competitive pricing of its products backed by ability to optimize cost of production

Proven quality with international standards

Known for honouring commitment and delivery schedules

OUR REPUTATION



5 Things that make Bhagiradha Chemicals a Proxy of the Growing Chemical Industry

1

DEEP INNOVATION CAPABILITIES

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.

R&D DRIVEN PORTFOLIO

Our deep innovation capabilities have enabled us to establish a portfolio of 15 products spread across various insecticides, herbicides and fungicides and other intermediates.

Product	Application
Azoxystrobin	A broad-spectrum fungicide for protecting plants and vegetables/fruits from fungal diseases.
Chlorpyrifos	A broad-spectrum insecticide to control various kinds of pests and insects.
Triclopyr	Controlling broadleaf weeds without affecting grasses and conifers, and rust diseases on crops.
Fipronil	A broad-spectrum insecticide to control cockroaches, termites, fleas etc.
Other products	Imidacloprid, Diafenthiuron, Clodinafop Propargyl, Cloquintocet Methyl and intermediates of Sulfosulfuron, Penoxsulam, Diclosulam, Pyroxsulam, Pinoxaden etc.

2

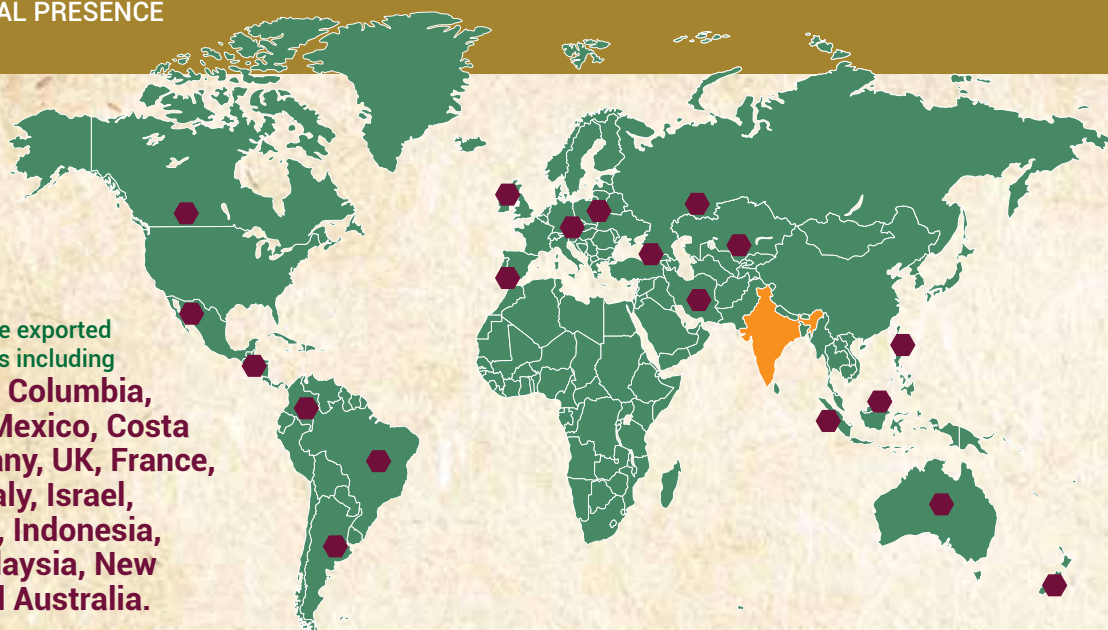
INTEGRATED OPERATIONS AND MANUFACTURING EXCELLENCE

We have contemporary production facilities with skilled people and advanced production techniques supported by quality control teams to ensure high-quality of products and better overall performance. To cut reliance on imports and ensure un-interrupted operations and to have a competitive edge in pricing, substantial investment has been made for backward integration of few product processes.

3

GLOBAL PRESENCE

Our products are exported across countries including **USA, Brazil, Columbia, Argentina, Mexico, Costa Rica, Germany, UK, France, Portugal, Italy, Israel, Turkey, Iran, Indonesia, Taiwan, Malaysia, New Zealand and Australia.**





4

CONCERN FOR ENVIRONMENT, HEALTH AND SAFETY (EHS) STANDARDS

We are amongst the most responsible manufacturers of agrochemicals. Keeping in view the environmental, legal and regulatory requirements, our organization has been following all such effluent treatment methods to remain as a Zero Liquid Discharge (ZLD) plant since inception. Strippers, multiple effect evaporators, agitated thin film dryers, biological ETP system and RO system are installed in the plant to achieve ZLD. Effective management of wastes – liquid organic waste is sent to cement plants for co-processing and solid waste to secured land filling. Treated effluent is used for cooling tower make up. Emission is controlled through a multi-stage scrubber for all processes, dry vacuum pumps with exhaust condenser, chilled brine condenser and VOC monitoring in processes and use of mechanical dust collector and bag filter in boilers. A sewage treatment plant is installed to treat and reuse water from toilets and canteen.

We have also adopted best safety practices and infrastructure. Occupational Health Center with necessary medical facilities and qualified medical practitioners is set up within the facility. Safety training and audits are carried out periodically to prevent and face any untoward incident. Our plant is also equipped with fire hydrant system, auto fire extinguishers and earth fault protection system.

5

CLIENTELE AND LONG-STANDING RELATIONS

Leading MNCs like Corteva have longstanding relationship with us. The likes of UPL, NACL, Nichino India, Sumitomo India, Sulphur Mills, Gharda Chemicals, and Dhanuka are our important customers in the domestic market.

MAKING THE RIGHT MOVE FOR ENHANCED VALUE CREATION

Acquired 33.90 acres land to set-up a new plant in Kadechur Industrial Area, Karnataka for manufacturing speciality agrochemical products and intermediates with an installed **capacity of 9,000 MTPA**. It shall be implemented over a period of 6 years in three phases with an aggregate outlay of about ₹ 375 Cr

Build capacities

- Talented R&D team committed to innovation and **development of novel processes**
- **Commercial launch of two insecticides** – Fipronil and Pymetrozine during the year, witnessing good traction
- Process technologies in the pipeline for key off-patent products
- **Dinotefuran, an insecticide**, is awaiting approval of domestic registration which will be a good addition to our product range

Widening portfolio with innovative practices

Drive efficiencies

- **In the process of implementing ERP solution** to enable faster and informed decision making.
- **Strengthened registration department** to accelerate local and international registration of our products

ESG stewardship

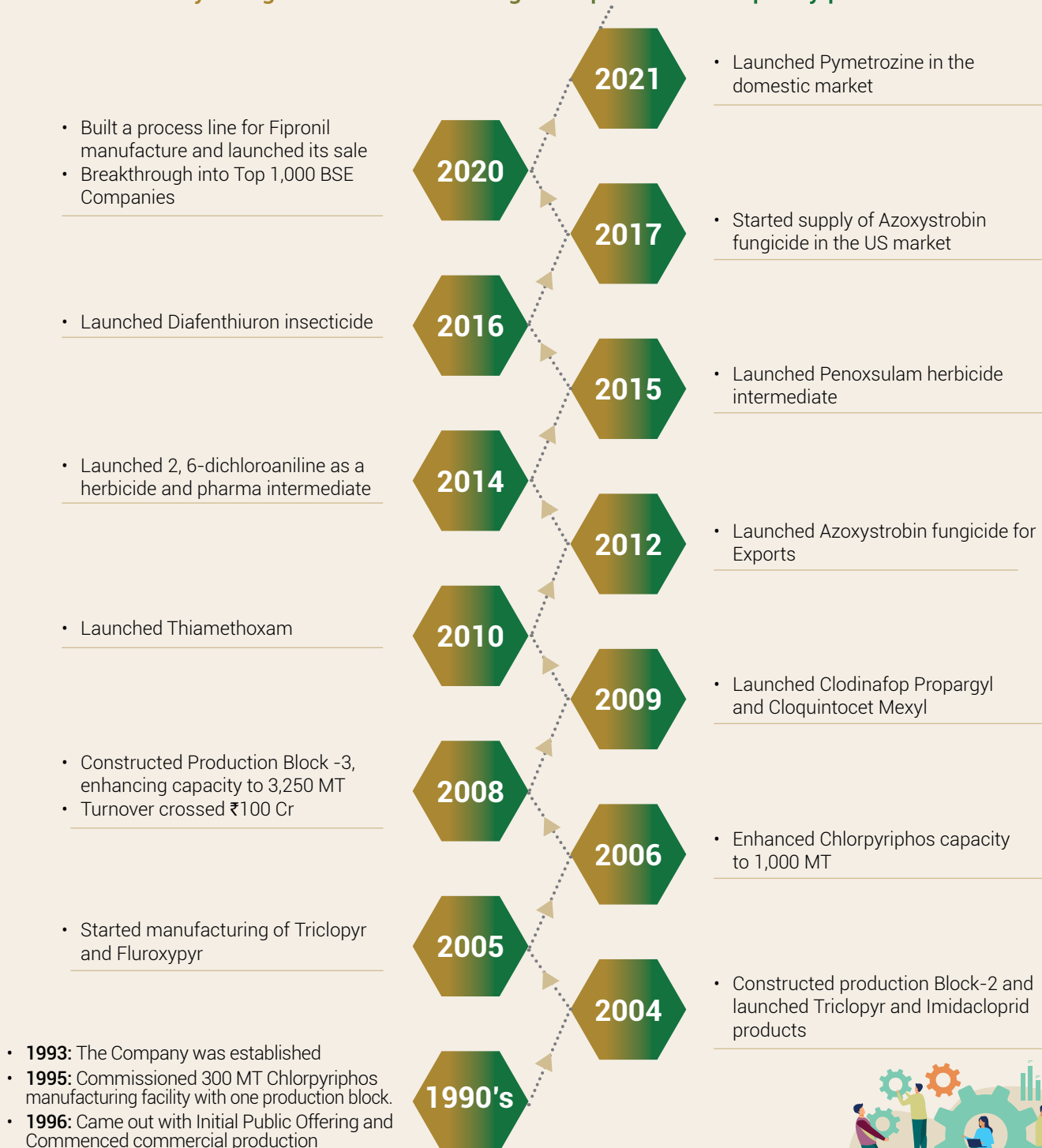
- **Robust governance framework** for welfare and protection of stakeholders' rights
- **Make continuous investments** in technologies and employee development
- **Acquired 32 acres of land** abutting the existing factory in the recent past for **developing green belt**





Challenging Journey in Pursuit of Excellence

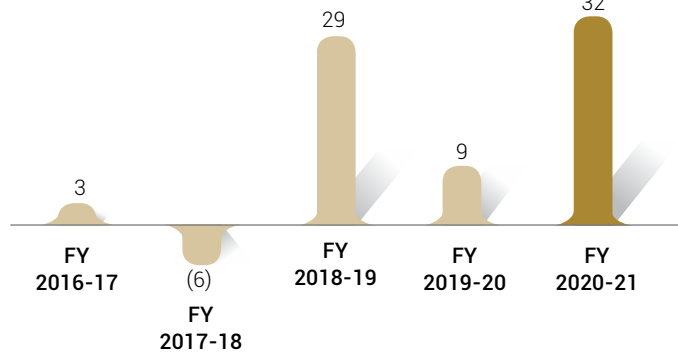
Our journey of 25+ years has not just been about creating a big company, but rather a better and responsible one that makes a difference to the customers and the society. We have ensured this by using best of the technologies to produce best quality products.



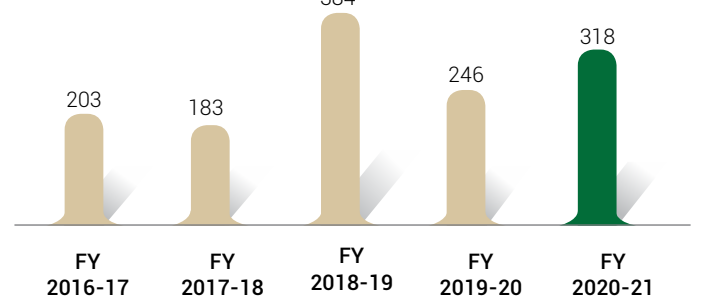


Progressing Over the Years

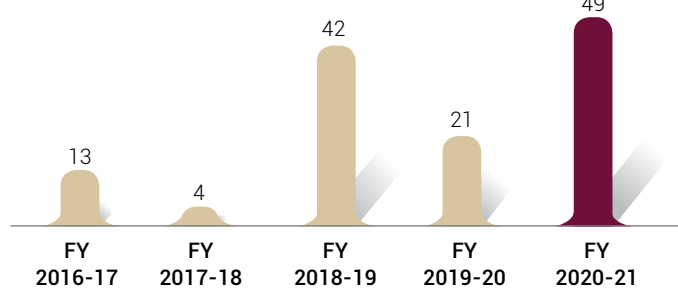
PROFITABILITY (₹ Cr)



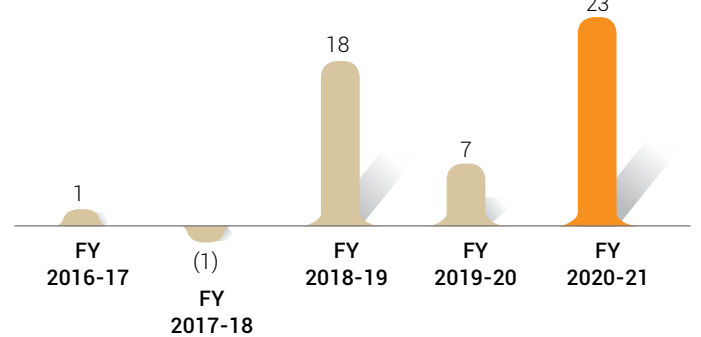
TURNOVER (₹ Cr)



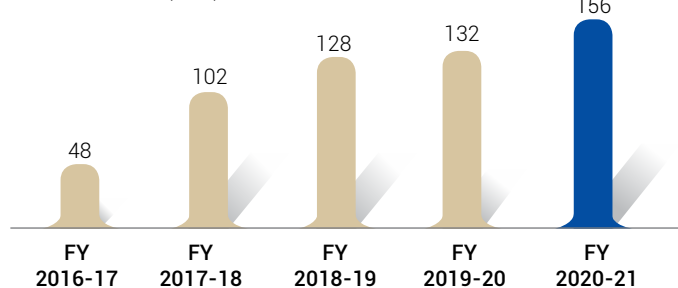
EBITDA (₹ Cr)



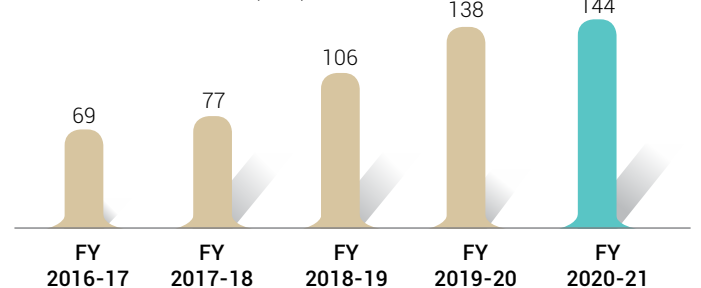
PROFIT AFTER TAX (₹ Cr)



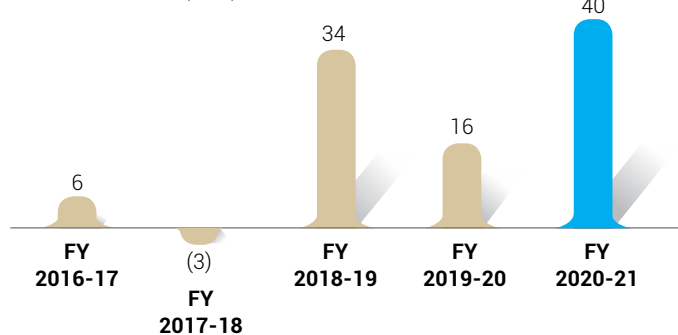
NET WORTH (₹ Cr)



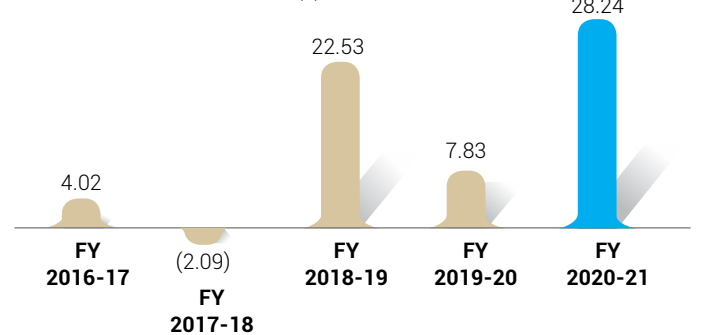
NET FIXED ASSETS (₹ Cr)



CASH PROFIT (₹ Cr)



EARNINGS PER SHARE (₹)





Our Inspirers



Sri Singavarapu Koteswara Rao (07.09.1945 to 04.07.2010)

Our Founder-Our Visionary

"Sri Koteswara Rao was a Post Graduate in Chemical Engineering from IIT, Madras and a former Scientist of the Indian Institute of Chemical Engineering, Hyderabad. He was assigned a critical role in IICT's maiden project for development of processes for commercial manufacture of pesticides by virtue of his prior experience in various facets of plant operations in Germany. He received accolades for successfully completing those assignments."

At the age of 47, with limited economic resources, he ventured to set up Bhagiradha in the remote Cheruvukommupalem village of Prakasam District, to realize his dream of making affordable agrochemicals available to the farmer community. It was his belief in his ability to succeed that made him to give up a rewarding career in the IICT and many other lucrative overseas assignments. Today, Bhagiradha is a

testimony of his vision and spirit creating employment and succour for hundreds of locals.

We, Bhagiradhians, owe our beloved founder a debt of gratitude for all that we are today and continue to derive inspiration from his positive legacy to live up to his values.

Dr. M Pardhasaradhi

The Man behind our R&D credentials

"It was in the year 2004, that Bhagiradha established its R&D unit at Hyderabad under the aegis of Dr Parthasaradhi as its Director. Dr Parthasaradhi nurtured and ignited passion in the R&D team of Bhagiradha in its nascent stage till the unit was relocated to Ongole in the year 2008. It also gained the recognition of the DSIR during his stewardship. Manufacturing processes for a good number of Bhagiradha's products were developed and commercialized under his direction."



Dr. Parthasaradhi, was awarded a Ph.D. degree in Chemistry for the research in Natural Products by Andhra University. He developed the process for preparation of Unsymmetrical Dimethyl Hydrazine (UDMH) a rocket propellant for DRDL Hyderabad. In 1975, he coordinated the first M Phil course in chemistry for University of Hyderabad and went as Research Associate to University of California, Berkeley and worked on Morphinan Synthesis.

In the year 1998, Dr. Pardhasaradhi demonstrated the process for preparation of Phenylacetic acid via carbonylation to Rashtriya Chemicals and Fertilizers (RCF) Mumbai and a catalytic process for

preparation of ethyl chloroacetate from chloroacetic acid to M/S Lupin Chemicals. Dr Pardhasaradhi's research work also includes process development for Amylmetacresol, an anti-protozoal to M/S Makson Pharmaceuticals Ltd., Gujarat and for Losartan-K and Doxazocin, antihypertensives to M/S Cadilla. Dr Pardhasaradhi published several research papers and processes which were patented in India and the USA. During the period from 2004-2008, he was a member of AP Pollution Control Appellate Authority.

Bhagiradha values and acknowledges his significant contribution in its journey as a research based Agrochemical Company.



Sri Dodda Sadasivudu

Natural Partner

"Sri Sadasivudu, a Senior Assistant Director of the Indian Institute of Chemical Technology, was associated with our founder on developing process technology for manufacture of pesticides, during his stint with IICT. He chose to take voluntary retirement and partnered with our founder to co-promote Bhagiradha and has been its Executive Director till August 2012. He is currently a Director on the Board of Bhagiradha."

A Post Graduate in Chemical Plant Engineering from NIT (REC), Warangal and an M.Sc. from the University of Salford, England, Sri Sadasivudu specialized in Process development and design of Commercial Chemical Plants. He played a significant role from

conception to commissioning of Bhagiradha's manufacturing plant at Ongole. His guidance over the years has been of utmost value to the organization.





Message from the Desk of the Chairman



“Your Company is Making the Right Moves to seize the emerging opportunities in the domestic and overseas markets and I am hopeful that shareholders shall be rewarded with the improved performance of your Company in the coming years.”

I am pleased to present your Company's Annual Report for the financial year 2020-21. Your Company delivered a spirited performance in unprecedented times backed by the determination of our people, diversified product portfolio and responsive measures taken at various levels in the wake of uncertainties caused by COVID-19.

That most of our clients continued doing business with us in the face of challenges is a validation of their trust in us and in our ability to deliver in difficult times. We put in our best efforts to meet their expectations by moving swiftly to ensure timely deliveries, despite lower manpower availability and disruption in supply chain and logistics, which resulted in operations at lower capacity level.

Ensuring the safety and welfare of our people has always been our first priority and employees were encouraged to work from home as far as possible during the year. Safety measures and protocols as per government guidelines were implemented for those having to work on site. We leveraged technology to ensure internal and external communication virtually.

Coming to business matters, our exports were impacted due to global lockdowns and restriction on movement of logistics during the initial outbreak of pandemic. We realigned our strategy and focused on the domestic market playing to our strengths and managed to achieve our business goals. During the year under review, your company posted a gross revenue of ₹ 318.54 Cr against that of ₹ 247.34 Cr in the previous year, registering a growth of 28.78 %. We achieved an all-time high Profit after Tax of ₹ 23.46 Cr as against ₹ 6.51 Cr in the previous, clocking a growth of 261%.

Indian agrochemical industry has huge unrealized potential for growth due to very low level of agrochemical consumption as compared to global norms. Therefore, its role in achieving the government's vision of USD 5 trillion economy by 2025 cannot

be undermined, as it not only ensures food security and provides livelihoods but also provides impetus to the growth of industries and service sectors. The key factors guiding the growth of the industry in India include increasing investment in the protection of crops, and the development of integrated farming practices and their growing acceptance among the farmers in the region. Your Company is Making the Right Moves to seize the emerging opportunities in the domestic and overseas markets and I am hopeful that shareholders shall be rewarded with the improved performance of your Company in the coming years.

COVID-19 has been playing havoc for about 18 months now across all facets of human life, the world over and more than three million humans succumbed to the deadly virus. My thoughts are with those impacted. Fortunately, the vaccines have been made available since January 2021 in our country and the Central and State Governments are now acting on mission mode to vaccinate people above 18 years of age during this second wave. A much severe third wave is anticipated in the coming months. Having learnt the lessons, I am confident that we will respond to the challenge with greater vigilance and remain safe.

On behalf of the Board, I would like to thank all our customers, suppliers, Bankers and the government for their support to the company. I convey my sincere appreciation to Team Bhagiradha for its performance and thank all the shareholders for their trust reposed in us.

Stay safe.

Warm regards,
K Satyanarayana Raju
Chairman



Message from Managing Director



“Our committed and competent workforce has all along been our core asset and source of our strength. We owe our performance to the dedicated efforts of our employees at all levels.”

The socio-economic impact triggered by COVID-19 pandemic has taken the world unguarded. The unexpected and prolonged length of the pandemic was a tough challenge faced by all the manufacturers in the year under review. Your company has not been an exception. Lockdowns and restrictions impacted our business as the plant was shut down initially for few days in the financial year. Being a chemical plant, restart of production operations in the plant entails eventual loss of few more production days. Incidence of fire and other accidents in other chemical industries elsewhere during the lockdown period, warranted initiation of special safety measures by conducting frequent internal inspections, testing and mock drills besides facing inspection by the government departments frequently. Quite a good number of our employees were unfortunately affected by COVID-19 virus leading to loss of further man days. Against this backdrop, your company did considerably well to post better numbers during the year under review.

PERFORMANCE REVIEW FY 2020-21

Measures like extended work shifts and meticulous and timely procurement of raw materials helped overcome the initial backlog. Better product pricing in the market owing to supply demand imbalance ensured higher product realisation. As a result, our sales revenues increased 29.40% to ₹ 317.90 Crores in the year. Lockdown and trade restrictions in key global markets hit exports business, and it fell by 49.63% to ₹ 71.52 Crores. We overcame this holdup by increasing focus on domestic business which grew by 146.67% to ₹ 246 Crores. EBITDA increased by 131% to ₹ 48.69 Crores and PAT by 260% to ₹ 23.46 Crores. The sale of Fipronil insecticide began from April 2021, contributing about 26% to the net sales revenue. Commercial production of Pymetrozine too materialized during the year in accordance with our business plan.

WELL-POSITIONED TO SEIZE OPPORTUNITIES

It is expected that plentiful opportunities will be available to the Indian Agrochemical industry as the world's focus shifts from

China to India. However, the dependence of Indian companies on China for basic materials is a major impediment and that has to be overcome by building basic raw material infrastructure in our country, if we were to become an alternative manufacturing hub to China. BCIL is confident that it will reap benefits from the opportunities created on account of these major developments, given its R&D capabilities, low turn-around time for developing new processes and excellence in quality it has established over the years.

The acquisition process of industrial land in Karnataka by Bheema Fine Chemicals Private Limited, our newly formed 100% subsidiary, was completed and early implementation of its 1st phase will be an important part of our growth strategy.

COMMITTED WORKFORCE

Our committed and competent workforce has all along been our core asset and source of our strength. During the COVID-19 peak periods, our workforce has shown exemplary discipline in adhering to the guidelines in place and yet put in their best efforts in overcoming the downsides caused by COVID-19 in terms of factory operations. We owe our performance to the dedicated efforts of our employees at all levels.

FAVOURABLE CLIMATIC CONDITIONS

The domestic demand for agrochemicals is expected to remain elevated with favourable agronomical conditions such as good monsoon and adequate water levels in reservoirs which bode well for us. The thrust given by the government to the agricultural sector in general and the proposals under the 'Aatmanirbhar Bharat' package in particular augur well to the agrochemical industry.

Warm regards,

S Chandra Sekhar
Managing Director





In Conversation with Chief Executive Officer



“We see opportunities to manufacture several agrochemical products nearing off patent. Supported by our R&D team, we have already lined up some molecules for commercialization.”

I feel immensely happy that your Company could salvage the lost ground during the year under review with its splendid performance. Tough operational difficulties faced on account of the virus were overcome with tenacity and resolve and your Company emerged ever stronger. Best practices have been put in place to avoid disruption of production activity and measures have been taken to make sure that timely procurement of raw materials is done for unhindered production. Sharp focus was maintained on liquidity and working capital management by negotiating appropriate payment terms for all sales and procurements. All these steps have helped us perform better during a year that was fraught with challenges.

In the year gone by, our country has been mired in deep crises; a devastating pandemic and consequent economic meltdown. We have been forced to learn new technologies that, in many cases, have been the only safe way to continue to living and stay connected to our loved ones during the pandemic. Technology adoption and its use became the order of the day. One of the major impacts of the new working-from-home focus is that more jobs are becoming non-location-specific. The crowds will return, but we gather carefully. For some, hard times bring opportunity. The above lessons have to be put into practice wisely in all sincerity and one has to adopt to the changing practices and preferences; be it corporates or individuals.

I am very glad that the transition has been smooth for our organization with most of our employees embracing the new order quickly. Under the aligned and consistent direction given by the Board of directors, your Company is aspiring to make rapid strides

in its business endeavours. In order to facilitate informed decision making and to put in place a better Management Information system, we are implementing ERP solutions across many organizational functionalities.

We see opportunities to manufacture several agrochemical products nearing off patent. Supported by our R&D team, we have already lined up some molecules for commercialization. Keeping in view the products in our repertoire and to broaden our customer base, we are focusing on new domestic and overseas registrations. As a step in this direction, the registration department has been strengthened with senior executives and personnel.

The agrochemicals industry has been buoyant led by normal monsoons and remunerative prices, all of which are positive growth promoters. Your Company has a robust growth strategy and is making responsible moves to implement its plans for creating value for all stakeholders.

We look forward for the continued support and trust from all our stakeholders to realise our goals.

Warm regards,
A. Arvind Kumar
Chief Executive Officer





Board of Directors

NON-INDEPENDENT, NON-EXECUTIVE



M

Sri K S Raju, Chairman

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



M

Sri D Sadasivudu

Holds a Post graduate degree in chemical plant engineering from NIT, Warangal and an M.sc from University of Salford, England. He was Senior Assistant Director in the design & engineering division at Indian Institute of Chemical Technology, Hyderabad. He co-promoted our Company.



M

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.

INDEPENDENT, NON-EXECUTIVE



C C C M

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.



M C M

Sri GSV Krishna Rao

Graduate in Commerce and a Fellow 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.



M

Sri Kishor Shah

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



Dr G Aruna

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

NON-INDEPENDENT, EXECUTIVE



M M

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 our Company since 2002 in various capacities including as the Head of the DSIR recognized R&D department. He was appointed Managing Director of the Company in 2012.



Sri Ketan Chamanlal Budh, Whole-time Director

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

BOARD COMMITTEES

Audit Committee	C Chairman
	M Member
Nomination and Remuneration Committee	C Chairman
	M Member
Stakeholders' Relationship Committee	C Chairman
	M Member
Corporate Social Responsibility Committee	C Chairman
	M Member



Management Discussion and Analysis



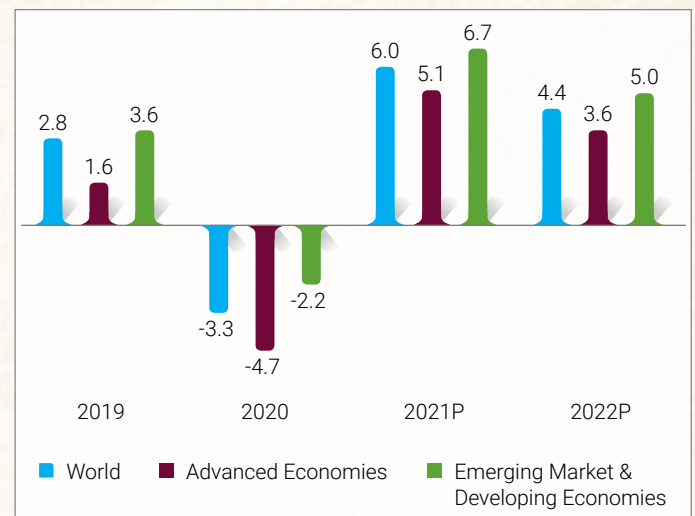
ECONOMY OVERVIEW

World Economy

The global economy is showing signs of recovery from the deep recession caused by the COVID-19 pandemic in 2020. Governments, central banks and other public agencies across countries have responded unprecedentedly to mitigate its impact. The International Monetary Fund (IMF) has estimated global economic growth to have contracted by 3.3% in 2020 despite better-than-expected actual performance by key economies in the second half of 2020.

While the global health crisis continues in the early months of 2021 with second and even third waves of the virus in many regions, accelerating vaccine rollouts and major stimulus packages in many advanced economies, most recently in the United States and Japan have raised hopes of an eventual end to the pandemic and prospects of a stronger-than-expected recovery. IMF, in its world economic outlook in April 2021, projected world economy to grow by 6.0% in 2021 and 4.4% in 2022 amid exceptional uncertainty. Economic recoveries are expected to be uneven across countries and sectors, reflecting variation in pandemic-induced disruptions, pace of global vaccine rollouts and the extent of policy support.

World Economic Growth (%)



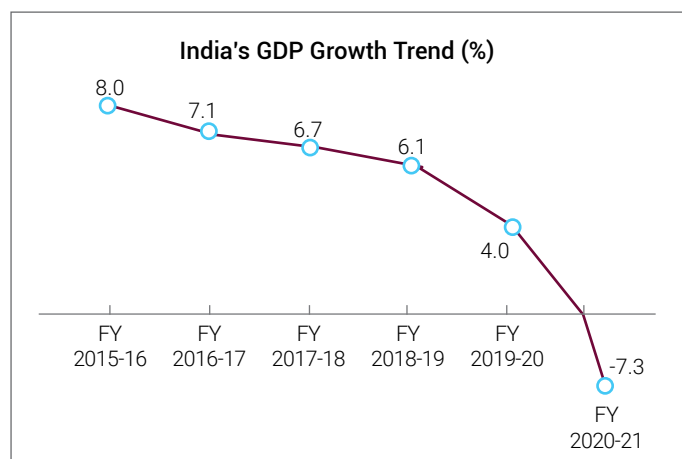
Source: IMF World Economic Outlook, April 2021



Indian Economy

The economic impact of the COVID-19 pandemic in India has been largely disruptive, which has resulted in fiscal strains and weakening of demand conditions. The economy witnessed sharpest contraction ever of 23.9% YOY in the first quarter of FY 2020-21, owing to the stringent pandemic-induced lockdown imposed by the government. Agriculture was the only high performing sector of the economy in Q1 of FY 2020-21 with a growth of 3.4%, driven by normal monsoon, record-high production and strong policy support.

There has been rapid recovery in India's economic activity from the COVID-19 pandemic induced unprecedented lows of the first quarter of FY 2020-21 on the back of easing of restrictions, extraordinary fiscal and monetary support provided by the Government and RBI. As per the provisional National Income estimates by the National Statistics Organization (NSO), the Indian economy contracted by 7.3% in FY 2020-21, as compared to a 4% economic growth recorded in FY 2019-20. The Economic Survey 2020-21 estimates a 'V-shaped' recovery of the economy with India's real GDP estimated to record 11.0% growth in FY 2021-22 – the highest since independence. However, the second wave of COVID-19 hitting the country poses risk to economic recovery, even as growing vaccine coverage lifts sentiment.



Source: National Statistics Office provisional estimates dated 26th Feb, 2021

Agriculture and its allied sectors continue to remain central to the Indian economy, contributing nearly 17% to our Gross Domestic Product (GDP). More importantly, it is a source of livelihood for more than 50% of the country's population. As a result, a sector like agrochemicals, is a far more reliable venture than many others in the economy, driven by facilitative government actions and interventions.

Indian economy is estimated to have contracted by 7.3% in FY 2020-21, as compared to 4.0% economic growth recorded in FY 2019-20.

India is an emerging agrochemicals production base, along with Vietnam, Indonesia and Taiwan, which have gradually joined the global production community, supplementing the supply chain. From the perspective of the industrial chain, India relied heavily on China for pesticide supplies in the past several years. India's overall chemical infrastructure is still relatively underdeveloped, and its access to key intermediates and raw materials is limited. Indian chemical companies are increasingly focusing on independent research and development, forward and backward integration along with scale effect. Despite some difficulties, the Indian market can be considered a strategic alternative in the near future, rather than a cornerstone.

INDUSTRY OVERVIEW

Global Agrochemical Industry

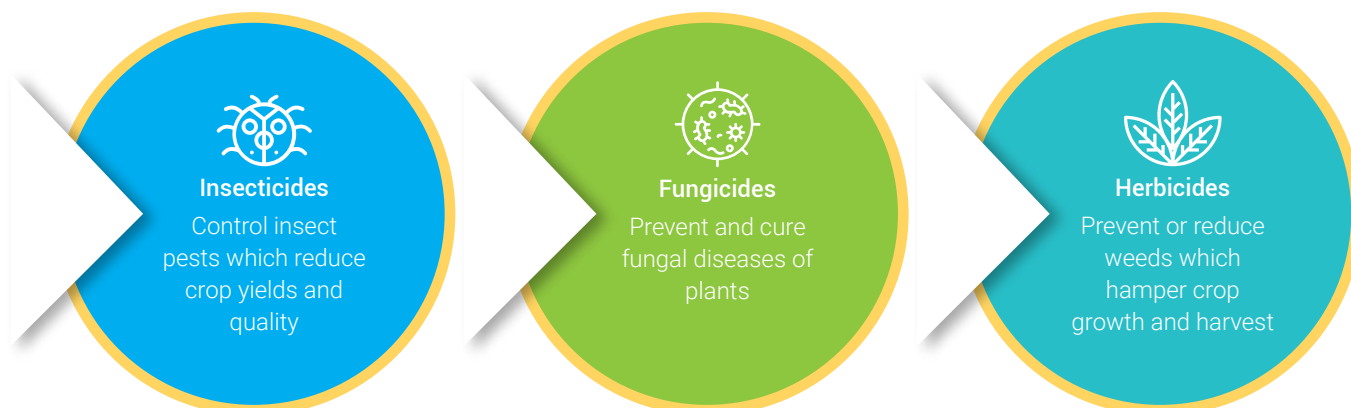
The global agrochemicals market size is estimated at USD 208.6 billion in 2020 and is projected to reach USD 246.1 billion by 2025, registering a CAGR of 3.4% during the forecast period. Increasing demand for food supply due to the rapid growth in the human population has triggered agricultural intensification during the last few decades. However, concurrently unbalanced use of agrochemicals also causes environmental deterioration and poses severe challenges to aquatic and terrestrial ecosystems. Various research studies have indicated that the use of fertilizers and pesticides in agriculture has substantially increased in developed and developing countries in recent years for attaining maximum yields of crops.

The agrochemicals sector is witnessing huge demand in recent years, with its increasing importance on the well-being of the consumers. The components that are used in the production of agrochemicals ultimately help in controlling the pests from damaging the crops or in improving soil fertility. There are broadly 4 categories of crop protection products: Insecticides, fungicides, herbicides and others (include bio pesticides, nematocides, rodenticides etc.).





Types of key Agrochemicals and their primary uses



Also, Globalization of the agrochemical industry has a huge impact on the Asian crop protection markets. With high rates of population growth, the need for increased food production, and economic growth, the demand for various agrochemicals such as herbicides and fungicides is increasing.

But the market for agrochemicals is highly fragmented, comprising of a large number of big and small players. The majority of players in the market are located in the European region who offer a variety of products. With the growing demand for various agrochemical products, the major players in the market are focusing on R&D investments to launch products, which would cater to the requirements of the consumers and simultaneously focusing on making investments in innovations, collaborations, and expansions, in order to increase their market share through mergers & acquisitions and partnerships.

COVID-19 impact on the agrochemicals market globally

Agrochemicals, such as pesticides and fertilizers serve as an important solution for farmers across the globe. But due to the outbreak of COVID-19 pandemic, there has been a supply chain disruption because of which the agricultural sector had to face problems such as labor unavailability, transportation barriers, restriction for market access, and lack of inventories in some regions. Many fertilizer and pesticide manufacturers were facing issues due to lack of raw material availability impacting their production schedules and levels.

Trends in International Agrochemicals exports during the year under review:

Overall exports were affected by drought conditions in South Africa, Southeast Asia and Eastern Australia. Dry weather condition prevailed in most of the Northern Europe region which resulted in reducing the herbicide and fungicide applications leading to the fall of fungicide exports. Trade tensions between China and the U.S. have led to imposition of steep tariffs on U.S. Wildfires in Australia which were caused by a combination of extreme heat, prolonged drought and strong winds affected the demand from Oceania.

Indian Agrochemical Industry

India is the fourth-largest producer of agrochemicals in the world. According to FICCI-PWC Report on 9th Agrochemicals Conference 2020, the Indian agrochemicals industry was valued at around ₹ 42,000 Cr in FY 2020-21, out of which domestic consumption was around ₹ 20,000 Cr, while exports during the same period were worth around ₹ 22,000 Cr. The industry is expected to grow at a CAGR of 8–10% till FY 2024-2025.

The domestic demand for agrochemicals is expected to rise with a need to increase farm output to meet food requirements of the growing population, demand for high-value agricultural products, decrease in arable land and loss of yield due to pest attacks. It will be further aided by the timely onset of monsoons in the year gone by and the recent proposals under the 'Atmanirbhar Bharat' package pertaining to the agrarian economy which are focused on boosting the agriculture and allied sectors by strengthening its infrastructure and logistics.

On the flipside, companies are likely to face input constraints as Indian manufacturers depend heavily on imports of raw materials and intermediates from China and given the anti-China sentiments prevalent in the country, it might be a while till manufacturers will be able to diversify their supply chain needs.

In a scenario where COVID-19 cases increase and restrictions are applied again, supply constraints could become much more crucial. Companies might also face challenges in terms of availability of labour, availability of manpower and staggered timing of plant operations in order to follow the protocol of social distancing. The export demand for pesticides is likely to take a hit in the ongoing financial year because of the spread of the pandemic across the globe. Financial constraints of the global farm sector and restriction imposed by countries across the globe on imports and exports will adversely hit pesticide trade volumes during FY 2021-22.





COVID-19 impact on the domestic market

The domestic agrochemical industry in India started on a positive note in FY 2020-21, driven by a surge in herbicide sales in Q1, pre-buying led by robust demand expectations and price increase in generic molecules. Moreover, generic molecules have seen 5% price increase due to short supply in India as the COVID-19 outbreak impacted production in China. The industry expects a strong growth in FY 2021-22 with even better prospects given the confluence of factors such as: (a) healthy monsoon trend, (b) better price realizations, (c) strong demand for herbicides to fill in for labour shortage, (d) locust infestation, and (e) higher cash transfers by government, higher MSP for select crops, higher procurement and increasing focus on farmer incomes in view of the COVID-19 pandemic.

COMPANY OVERVIEW

Company Background

Founded in 1995, by late Sri S. Koteswara Rao, whose name is well known in the agrochemical circles of the country, Bhagiradha Chemicals & Industries Ltd. (BCIL) carved a niche for itself alongside the best in the industry as a manufacturer of high quality technical grade agrochemicals and their intermediates in the country. Distinguished as an R&D driven company, led by highly qualified and passionate top management with proven skills, the Company is making steady progress in realizing its determined long term growth objectives.

For Bhagiradha, quality has always been its best strategy for success that helped in establishing strong and long lasting business relationships with reputed multinational and domestic chemical companies. It earned significant forex revenues over the years for the country, with exports to more than a dozen countries, including the USA, constituting more than fifty percent of its annual sales, the year under review being an exception.

The domestic agrochemical industry in India started on a positive note in FY 2020-21, driven by a surge in herbicide sales in Q1, pre-buying led by robust demand expectations and price increase in generic molecules.

Beginning modestly in Cheruvukommupalem, Village, Prakasam District of Andhra Pradesh, with an annual manufacturing capacity of 300 metric tonnes per annum (MTPA), 25 years ago, the Company has attained production capacity of 3,250 MTPA as on March 31, 2021, providing direct and stable employment to about 600 skilled and unskilled personnel. The noble objectives of the founder, for building a sustainable organization that cares for the community and caters to the needs of its customers and creates value for its investors, are being pursued by his successors in all earnestness.

Incorporation of Wholly-Owned Subsidiary

During the year under review, BCIL has incorporated a wholly owned Subsidiary Company, named 'Bheema Fine Chemicals Private Limited' (CIN: U24299TG2020PTC142050), on July 22, 2020, with its registered office at Plot no- 3, Sagar Society, Road No 2, Banjara Hills, Hyderabad -500034. It will engage in manufacturing and marketing of various agrochemical intermediates and technicals at its proposed plant in Kadechur Industrial area, Yadgir district, Karnataka. The Company is in the process of seeking initial approvals from the Ministry of Environment and Forests, Government of India.





BCIL's Strengths



Well laid out manufacturing facility

The facility is spread across 29.00 hectares and has three production blocks for manufacture of insecticides, herbicides & herbicide intermediates and Fungicides. BCIL has permitted capacity of 3250 MTPA for production of agrochemical active ingredients and their intermediates in addition to pesticide formulations. The Company has received quality certifications under various parameters for its products and production facilities

It is a zero liquid discharge facility with an Effluent Treatment facility that conforms to the best of standards and 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 as approved by the regulatory authorities.



Innovation led Product portfolio

Bhagiradha's products are well known for their quality. The Company has in its product basket a range of insecticides, herbicides and fungicides that command good market across the domestic and international markets. The Company has effectively executed the Capex for the large scale commercialization of Fipronil, an insecticide, the commercial sales of which commenced in April 2020. Another insecticide, Pymetrozine too was commercialized during the year. A few products lying in the pipeline shall be launched as soon as approvals for registration in different geographies are received.



Strong in-house Research and Development

The Department of Scientific & Industrial Research (DSIR) recognized R&D unit is one of the key strengths of BCIL and serves as a great enabler of Company's business model. Qualified and talented scientific personnel with proven chemistry skills are the biggest assets for the Company. All the process technologies implemented in the manufacture of different products by the Company since inception were developed In-House. The R&D unit has the capability to develop new and alternative technologies swiftly.



Diversified customer base across geographies

The Company caters to both domestic as well as international customers with exports contributing about 50% of total revenues in general. Over the years, the Company has developed a global brand equity as a reliable source for elite MNCs and its products are sold by such MNCs across various overseas markets.



Competent Management Bandwidth

BCIL has an experienced leadership team of highly qualified professionals with a demonstrated track record. The promoters have rich industry expertise across various technical and business functions and hands on approach in R&D segment. The composition of the Board is an optimal mix of professionalism, knowledge and experience that enables the Board to discharge its responsibilities effectively and provides leadership to the business.





Business Development Strategies

Strong emphasis on registrations of new products

Crop protection product companies need local registrations to enable them to sell their products in different countries in the world. In accordance with its long term plans, the Company has taken steps to strengthen its registration department. During the year under review, the Company received approvals for the registration of an insecticide, Pymetrozine in the domestic market. Domestic approvals for a few more molecules are awaited. BCIL aims to increase the number of registrations for its existing and proposed products in India and various other countries to facilitate faster product launches and increase in revenue.

Augmenting production capacity

In order to enhance the production capacity, BCIL has proposed to set up another manufacturing plant in the name of its wholly owned subsidiary, Bheema fine Chemicals Private Limited. Land of 33.90 acres was acquired from Karnataka Industrial Areas Development Board in Kadachur Industrial area, Yadgir District, Karnataka for setting up the plant. The plan is to manufacture various agrochemical intermediates and technicals with an annual production capacity of 9000 MTPA which shall be implemented over a period of 5 to 6 years in three phases. Application has been submitted to the Ministry of Environment and Forests, seeking clearances. Works relating to construction of the plant shall commence after all the necessary approvals are in place.

Intensive Focus on R&D

The Company is distinguished globally as an R&D driven agrochemical Company. The team is currently focused on developing processes for making products which are becoming off patent in the coming few years. Processes developed for a few proposed products by the unit shall be taken up for commercialization in a phased manner when additional production capacities are set up.

Steps and initiatives taken by the Company in the wake of COVID-19

All safety protocols related to COVID-19 as advised by the Government are being implemented and observed at the Plants. The Company adopted a work from home policy for non-site based employees during COVID-19 Peak periods.

The Company continues to closely monitor national and international sourcing and supply positions to identify any potential supply side risks and chalk out a suitable plan.

The Company at present continues to fulfil its obligations with respect to all the existing contracts and agreements.

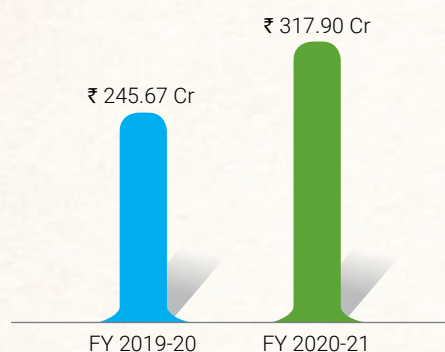
The Company availed COVID-19 emergency loans aggregating to ₹ 6.09 Cr and at the end of the financial year, the liquidity of the Company is satisfactory.





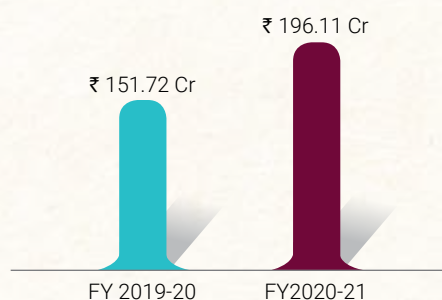
FINANCIAL OVERVIEW ON STANDALONE BASIS

Financial Highlights



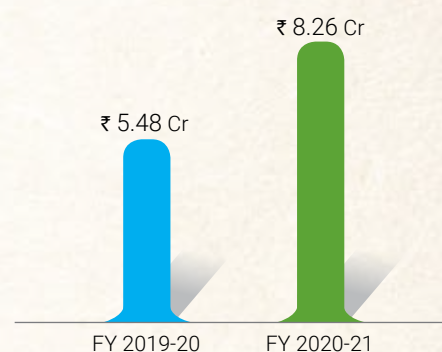
Revenue from operations

The revenue from operations increased to ₹ 317.90 Cr in FY 2020-21 from ₹ 245.67 Cr in FY 2019-20. The increase in turnover by 29.40% was made possible with a suitable business strategy in the given conditions, despite the setbacks caused by the prevalence of COVID-19 during the year.



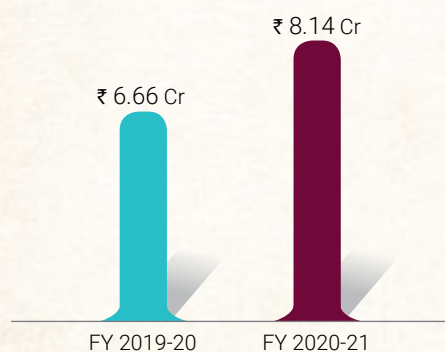
Raw Material Consumed

The consumption of raw materials increased by ₹ 51.75 Cr at 36.42% in FY 2020-21 as against decrease by ₹ 111.89 Cr at 44.05% during the FY 2019-20. The production and turnover were marred by loss of production days due to shutdown of operations for about 100 days during the FY 2019-20. During the year under review, there were no such adverse events other than the impact of COVID-19. Thus the production and turnover returned to normal levels, hence the increase in raw material consumption in absolute terms.



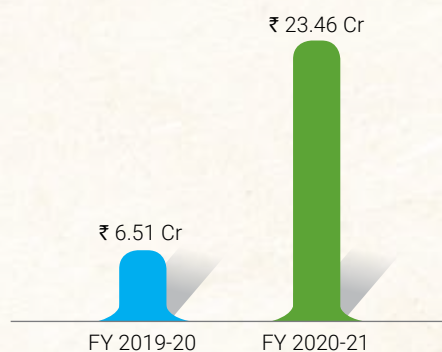
Finance Cost

The expenditure under this head increased to ₹ 8.26 Cr from ₹ 5.48 Cr during the year. The increase was on account of increased borrowings by way fresh term loan, COVID-19 loans and increased utilization of working capital limits from banks in line with increased production and turnover levels.



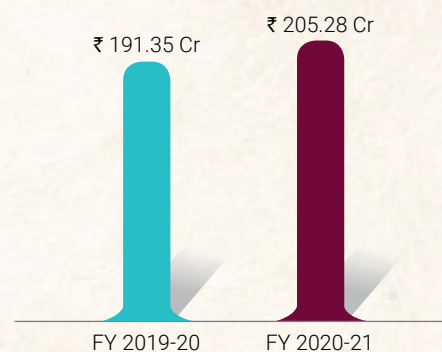
Depreciation Expense

The expenditure under this head increased to ₹ 8.14 Cr in the year from ₹ 6.66 Cr of the previous year, owing to the implementation of Capex during the year and the previous year for setting up Fipronil process line, up gradation of ETP and installation of equipment relating to backward integration of the production processes of certain products.



Profit after Tax

The profit after tax increased to ₹ 23.46 Cr in the year as against ₹ 6.51 Cr in the previous year. The increased production and sales levels in the year were achieved as a result of suitable business plan in place, resulting in improved profit after tax by 261%.



Fixed Assets

The gross carrying value of fixed assets increased to ₹ 205.28 Cr during the year by ₹ 13.93 Cr on account of Capex relating to certain automation works and ETP works.

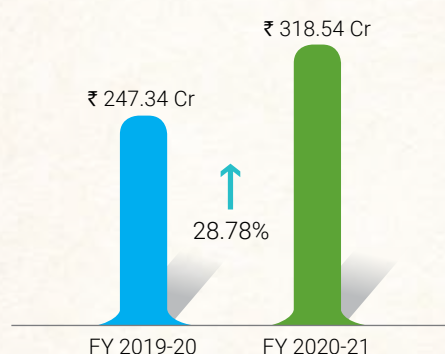




Balance Sheet

(₹ in Cr)

Particulars	As at 31.03.2021	As at 31.03.2020
Assets		
Fixed Assets	146.12	141.90
Investments	8.01	-
Non-current assets	4.96	4.79
Current assets	113.99	78.57
Total	273.08	225.26
Equity and Liabilities		
Share Capital	8.33	8.33
Other Equity	147.50	123.91
Non-Current Liabilities	22.15	9.92
Current Liabilities	95.10	83.10
Total	273.08	225.26



Total Revenue

₹ 318.54 Cr from ₹ 247.34 Cr

Total Bottom Line

₹ 23.46 Cr from ₹ 6.51 Cr

Total Revenue

The **total revenue** of the Company in fiscal 2021, having gone up to ₹ 318.54 Cr in the year from ₹ 247.34 Cr by 28.78% of the previous year as also the bottom line to ₹ 23.46 Cr from ₹ 6.51 Cr, most of the key ratios have improved as compared to the previous year on account of improved sales turnover made possible by appropriate management strategies.





Key Financial Ratios

Key Ratios	31.03.2021	31.03.2020	Performance Details
Inventory turnover	6.31	4.37	Improved as a result of increase in turnover by 29.40%.
Interest coverage ratio	4.70	1.90	improved owing to increased profit after tax
Current Ratio	1.20	0.95	Increased profit after tax ploughed back in to the system has helped improve this ratio compared to the previous year.
Debt Equity ratio	0.39	0.32	The marginal increase in the ratio is owing to the need based term loans received from the banks.
Gross profit ratio	15.02	10.37	
Net Profit margin	10.14	3.58	Improved Production/ Sales resulted in better performance of the Company.
EPS	28.24	7.83	
EPS (Cash)	47.09	18.51	
Return on capital employed	0.22	0.10	
Book value	187.53	159.23	



Status of Subsidiary: The Company is in the process of obtaining clearances from the Ministry of Environment and Forests, Government of India. The commercial operations are yet to commence.

BUSINESS OUTLOOK

BCIL is well placed in the Indian agrochemical market, led by a robust domestic portfolio with focus on in-licensing and regular launch of new products. Over the years, the Company has demonstrated speedy progress in broad basing its revenue mix by adding new clients, new geographies and new products. The Company aims to become a world class agrochemical manufacturer and preferred partner of choice by creating compelling value for its customers by leveraging its R&D capabilities. BCIL is relentlessly striving to improve its standards by benchmarking against the global best. The Company is also expanding its product portfolio by integrating backward for the manufacture of technical grade pesticides aiming to reduce its reliance on China for its raw materials.

The Company is well equipped with alternative products in the pipeline in the event of any negative headwinds in terms of regulatory ban of any product in any geography. BCIL will continue to derive strength from its experienced management and resourceful team, long track record of operations, advanced technology, talent and R&D skills, reputed customer base across the globe and increase in capacity as well as capabilities. The Company's investment in ERP will further drive its competitiveness in terms of improved efficiency level.

Although, COVID-19 has put uncertainty on the economic recovery of India and the world with increased fears of soaring

infection rate, new mutant of virus and access to vaccination, the overall outlook remains positive. The Government's financial support to farmers and other COVID-19 related relief measures are likely to propel farmer investments in crop inputs. The Company also remains on a strong footing for the long-term despite the challenges of global recession, currency risks and liquidity concerns.





RISK AND MITIGATION

Risks are an integral part of business operations and any Company is exposed to various internal and external risks. BCIL has developed and implemented a robust Risk Management Policy that monitors, identifies and suggests risk mitigation measures. This is reviewed periodically by the Board of Directors. A few inherent risks associated with the Company are discussed herein.

Type of Risk	Description	Mitigation Strategies & measures adopted
Economy Risk 	The recovery of the global economy could be weaker than expected even after the pandemic recedes soon. The reasons include lingering uncertainty about the return of the contagion, confidence failing to improve, establishment closures, massive job losses and purchasing power erosion and structural shifts in business and household behaviour, leading to more supply chain disruptions and weak aggregate demand.	The Company continuously monitors the business and economic environment, adapts new technologies and seeks ways to improve market penetration to counter such an event. The Company's wide and growing portfolio along with geographical diversification further insulates the risks.
Regulatory Risk 	Increased regulatory oversight and adverse changes to regulations in key markets could adversely impact the Company's business of operations.	BCIL works closely with various Indian regulatory agencies and international customers to keep track of the dynamic regulatory requirement. The Company keeps a plan in place to fine-tune and adjust the product portfolio in accordance with anticipated changes.
Innovation Risk 	The Company is exposed to the risk of inability to launch innovative products or failing to identify opportunities in terms of emerging trends. Further, inadequate investment in processes and technology and R&D could also adversely impact BCIL's business.	The Company's strong R&D team focuses on new and innovative processes to remain competitive in the market. BCIL is committed to further strengthen its R&D capabilities. Backed by its sustained R&D efforts, the Company already has a few products in pipeline. The promoters of the Company are technically qualified and they personally drive this initiative.
Competition Risk 	The Company might receive stiff competition from its peers in terms of new market entrants or change in marketing strategy by the competitors.	BCIL has proven competence in research and robust technical expertise in the industry. In addition to well diversified product portfolio, BCIL has built up strong customer relationship and brand equity over the years. The Company has invested in backward integration in terms of expanding its manufacturing capabilities to improve margins and meet the evolving needs of customers. The Company regularly interacts with customers to understand changing requirements and invests in the required technologies to stay ahead of the competitors.
Foreign Exchange Risk 	The Company imports some of the raw material while exports contribute more than 50% of the revenues in general. Any unfavourable movements in the exchange rate would adversely affect the Company's financials and results of operations.	BCIL evaluates exchange rate exposure arising from foreign currency transactions on a continuous basis. The Company uses natural hedge technique of adjusting foreign currency receivables against currency payables. The Company enters into foreign exchange forward contracts to hedge its exposure of foreign currency risk as per the Board laid down policy.





HUMAN RESOURCE

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business and these are translated into action at all levels. To ensure good human resources management, the Company focuses on all aspects of the employee lifecycle. This provides a holistic experience to the employee as well. The Company has a structured induction process and management development programs to upgrade skills of managers. Objective appraisal systems based on Key Responsibility Areas are in place for all employees. BCIL is committed to nurturing, enhancing and retaining talent through superior Learning & Organizational Development. This serves as a critical pillar to support the organization's growth and its sustainability in long run.

Immediately after the outbreak of COVID-19, the Company adopted strong measures to safeguard the health of its employees. Work from Home (WFH), social distancing norms, regular sanitization of plant and office premises and enhanced safety measures were among the significant measures taken.

QUALITY AND COMPLIANCE

The Company adheres to the quality standards set for itself and meets the requirements of all its reputed domestic and MNC customers. The manufacturing facilities are in compliance with all the regulatory requirements

INTERNAL CONTROL

The Company has put in place adequate system of internal controls commensurate with its size and the nature of its operations. The Company follows stringent procedures, systems, policies and processes to ensure accuracy in financial information recording, asset safeguarding from unauthorised use, optimum use of resources and compliance with statutes and laws. The Company's internal control system covers the following aspects:

- Financial propriety of business transactions
- Safeguarding the assets of the Company
- Compliance with prevalent statutes, regulations, management authorization, policies and procedures

The Company has proper and adequate systems of internal controls which ensure that transactions are authorized, recorded and reported correctly. Regular internal audits and checks ensure that responsibilities are executed effectively. The finance and commercial functions have been structured to provide adequate support and controls for the business of the Company.

HEALTH, SAFETY AND ENVIRONMENT

The Company has installed necessary equipment and systems with in its factory premises to strictly comply with safety and protection of workers, minimise consumption of natural resources and to reduce wastage of water and energy. The Company is truly sensitive to evaluate new initiatives for reduction of waste and emissions to sustain environment system complying with all Government Policies, laws, regulations and guidelines applicable in this regard.

CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable statutory laws or regulations. These statements are based on certain assumptions and expectation of future events. Actual results could however differ from those expressed or implied. Many important factors including global and domestic demand supply conditions, prices, raw materials costs and availability, change in Government regulations, tax laws and other statutes, force majeure may affect the actual result which could be different from what the directors envisage in terms of future performance and outlook.





Corporate Information

BOARD OF DIRECTORS

Sri K S Raju

Non-Executive Chairman

Sri D Sadasivudu

Non-Executive Director

Sri Sudhakar Kudva

Non-Executive Independent Director

Sri GSV Krishna Rao

Non-Executive Independent Director

Smt S Lalitha Sree

Non-Executive Director

Sri Kishor Shah

Non-Executive Independent Director

Dr G Aruna

Non-Executive Woman Independent Director

Sri S Chandra Sekhar

Managing Director

Sri Ketan Chamanlal Budh

Whole-time Director

SENIOR MANAGEMENT

Sri A Arvind Kumar

Chief Executive Officer

Sri B Krishna Mohan Rao

Chief Financial Officer

CS Saheli Banerjee

Company Secretary and Compliance Officer

AUDIT COMMITTEE

Sri Sudhakar Kudva, Chairman

Sri S Chandra Sekhar, Member

Sri GSV Krishna Rao, Member

Sri Kishor Shah, Member

NOMINATION & REMUNERATION COMMITTEE

Sri Sudhakar Kudva, Chairman

Sri K S Raju, Member

Sri GSV Krishna Rao, Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Sri GSV Krishna Rao, Chairman

Sri Sudhakar Kudva, Member

Sri D Sadasivudu, Member

CSR COMMITTEE

Sri Sudhakar Kudva, Chairman

Sri S Chandra Sekhar, Member

Smt S Lalitha Sree, Member

REGISTERED OFFICE

Plot No. 3, Sagar Society, Road No.2

Banjara Hills, Hyderabad - 500 034,

Telangana, India.

Tel: + 91-40-42221212/2323, 23540616

Fax: + 91-40-23540444

CIN: L24219TG1993PLC015963

E-mail: info@bhagirad.com

Website: www.bhagirad.com

FACTORY

Cheruvukommupalem Village

Yerajarla Road, Ongole Mandal

Prakasam Dist, Andhra Pradesh 523 272

STATUTORY AUDITORS

M/s. S. Singhvi & Co.

Chartered Accountants

(Firm Regi. No.: 003872S)

405, Vamsi Paradise

7-1-69, Balkampet St No 1

Ameerpet, Hyderabad – 500 016

INTERNAL AUDITORS

Sunesh Agarwal

Chartered Accountants

Membership No. 223768/ICAI

3-2-333, Chappal Bazar

Kachiguda, Hyderabad – 500 027

COST AUDITORS

M/s. Sagar & Associates

Cost Accountants

205, 2nd Floor Raghava Ratna Towers

Chirag Ali Lane, Abids

Hyderabad – 500 001

SECRETARIAL AUDITORS

M/s. RPR & Associates

Company Secretaries

H.No.158/C, 2nd Floor

Vengalrao Nagar

Hyderabad -500 038

BANKERS

State Bank of India,

SME Branch, Saifabad, Hyderabad

Axis Bank Limited,

Begumpet, Hyderabad Main Branch

RBL Bank Limited,

Madhapur, Branch, Hyderabad

ICICI Bank Limited,

Jubilee Hills Branch, Hyderabad

LISTING

BSE Limited, Mumbai

STOCK CODE

•BSE - (BHAGCHEM | 531719)

•ISIN Code - INE414D01019

REGISTRAR AND TRANSFER AGENTS

M/s. XL Softech Systems Limited

Plot No. 3, Sagar Society,

Road No. 2, Banjara Hills,

Hyderabad - 500 034

Tel. (040) 23545913

Fax (040) 23553214

Email: xlfield@rediffmail.com





Notice of the Annual General Meeting

To
The Members of
Bhagiradha Chemicals & Industries Limited

Notice is hereby given that the Twenty Eighth (28th) Annual General Meeting (AGM) of the members of Bhagiradha Chemicals and Industries Limited ("the Company") will be held on Tuesday, August 10, 2021 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, 2021, the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

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

and

- b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021, 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, 2021 and the Report of the Auditors thereon, as circulated to the members be and are hereby considered and adopted."

2. To resolve not to fill the vacancy in the Board for the time being, caused by the retirement of Sri. D. Sadasivudu (DIN: 00017637), Non-Executive

Director, who retires by rotation at the conclusion of this meeting, but does not seek reappointment.

Special Business:

3. To ratify the remuneration of Cost Auditors for the financial year 2021-22

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), M/s. Sagar & Associates, Cost Accountants in practice (Firm Registration No. 000118), appointed as Cost Auditors by the Board of Directors to conduct audit of the Cost Records of the Company for the financial year ending March 31, 2022, be paid a remuneration, 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 authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

4. Appointment of Sri Kishor Shah (DIN: 00193288) as a Non-Executive Independent Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, as amended from time to time and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of





Association of the Company, Sri Kishor Shah (DIN: 00193288), who was appointed as an Additional (Non-Executive Independent) Director of the Company with effect from September 14, 2020 by the Board of Directors pursuant to the recommendation of the Nomination & Remuneration Committee, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, whose term of office expires at this Annual General Meeting and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from September 14, 2020 to September 13, 2025 (both days inclusive), be and is hereby approved."

"RESOLVED FURTHER THAT the Board of Directors of the Company and/ or Company Secretary of the Company, be and are hereby severally 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."

5. Appointment of Dr G Aruna (DIN: 08978947) as a Non-Executive Independent Woman Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and

the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, as amended from time to time and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, Dr G Aruna (DIN: 08978947), who was appointed as an Additional (Non-Executive Woman Independent) Director of the Company with effect from December 4, 2020 by the Board of Directors pursuant to the recommendation of the Nomination & Remuneration Committee, who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, whose term of office expires at this Annual General Meeting and who is eligible for appointment as an Independent Woman Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from December 4, 2020 to December 3, 2025 (both days inclusive), be and is hereby approved."

"RESOLVED FURTHER THAT the Board of Directors of the Company and/ or Company Secretary of the Company, be and are hereby severally 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:

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: 4th May, 2021
Place: Hyderabad

Saheli Banerjee
Company Secretary & Compliance Officer
M. No: ACS-44382





Notes for Members:

CDSL e-Voting System – For Remote e-voting and e-voting during AGM

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its General Circular Nos.14/2020,17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively and by General Circular No.02/2021 dated 13th January 2021, allowed companies whose AGMs were due to be held in the year 2020 or become due in the year 2021, to conduct their AGMs through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 5th May 2020, ("MCA Circulars"). The Securities and Exchange Board of India ('SEBI') also issued Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 the validity of which has been extended till December 31, 2021 by SEBI, vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 ("SEBI Circulars"). In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 28th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 28th AGM shall be the Registered Office of the Company.
2. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this 28th AGM, and hence the Attendance Slip and Proxy Form are not attached to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for participation in the 28th AGM through VC/OAVM and cast their votes through e-voting.
3. A statement as required under section 102 of the Companies Act, 2013, in respect of items of special business is annexed hereto.
4. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.
5. In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Sri D. Sadasivudu, Non-Executive Director of the

Company, retires by rotation at the 28th Annual General Meeting. But, Sri. D Sadasivudu (DIN: 00017637), has expressed his un-willingness to be re-appointed in the ensuing AGM in view of his advancing age.

Based on the current composition of the Directors of the Company, which is in compliance with the provisions of Companies Act 2013 and SEBI Listing Regulations, the Board resolved not to fill the vacancy, for the time being, caused by the retirement of Sri. D. Sadasivudu (DIN: 00017637) at the conclusion of the 28th Annual General meeting.

6. Dispatch of Annual Report through Electronic Mode

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, and SEBI Circular dated May 12, 2020, Notice of the 28th AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice can also be accessed from the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The Notice and Annual Report 2020-21 is also disseminated on the Company's website www.bhagirad.com, and also on the website of CDSL at <https://www.evotingindia.com>

7. 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@rediffmail.com

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

8. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical





form are requested to consider converting their holdings to dematerialized form. M/s. XL Softech Systems Limited, Plot No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034 are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.

9. M/s. S Singhvi & Co LLP, Chartered Accountants (FRN 003872S) was appointed as Statutory Auditors of the Company at the 24th Annual General Meeting held on September 26, 2017 to hold office till the conclusion of the 29th Annual General Meeting of the Company to be held in the year 2022. Pursuant to notification no: G.S.R. 432 (E) issued by the Ministry of Corporate Affairs Govt. of India on May 7, 2018 amending the provision of section 139 of the Companies Act, 2013 and the Rules framed there under, the mandatory requirement for ratification of appointment of Statutory Auditors by the Members at every Annual General Meeting (AGM) has been omitted/deleted and hence the Board is not proposing to the members for ratification of appointment of Statutory Auditors at this AGM. The Board of Directors was empowered by the shareholders of the company to fix the remuneration of the Statutory Auditor on yearly basis.
10. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA i.e. XL Softech Systems Limited at xlfield@rediffmail.com or the Company at investor.bcil@bhagirad.com.
11. The Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
12. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
13. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
14. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the Demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such Demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen Demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref. no. MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company at info@bhagirad.com / RTA i.e. XL Softech Systems Limited at xlfield@rediffmail.com.
15. Members may also note that the Notice of the 28th Annual General Meeting is available on the Company's website: www.bhagirad.com All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at cs@bhagirad.com.

In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depository Participants.
16. To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/electronic mode, respectively.





17. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed as passed on the date of the Meeting, i.e., Tuesday, August 10, 2021.

Procedure for Joining the AGM through VC / OAVM

1. Members may join the 28th AGM through VC/OAVM Facility by following the procedure, as mentioned below, which shall be kept open for the Members from 10:30 a.m. IST i.e. 30 minutes before the time scheduled to start the 28th AGM and shall be kept open throughout the proceedings of the AGM.
2. The facility of participation at the AGM through VC/OAVM will be made available to at least 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, Corporate Social Responsibility Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the 28th AGM without restriction.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Members who need any assistance before or during the AGM, can contact Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

The Instructions for Shareholders for Remote E-Voting are as under:

- (i) The voting period begins on August 6, 2021 at 9.00 am and ends on August 9, 2021, at 05.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. August 3, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Board of Directors has appointed Sri Y. Ravi Prasada Reddy, Practicing Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic

voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (v) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.
- (vi) Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:





Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) 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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from 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 e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	4) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website 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. CDSL and NSDL

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





- (vii) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (ii) Click on "Shareholders" module.
 - (iii) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - (iv) Next enter the Image Verification as displayed and Click on Login.
 - (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - (vi) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number communicated through e-mail.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for Bhagiradha Chemicals and Industries Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store.





Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

(xviii) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@bhagirad.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Instructions for Shareholders Attending the AGM through VC/OAVM & E-Voting During Meeting are as under:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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 Wifi or LAN Connection to mitigate any kind of aforesaid glitches.
7. **Speaker Registration:** Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **2 days prior to meeting** from Friday, August 6, 2021 to Sunday, August 8, 2021, mentioning their name, demat account number/folio number, email id, mobile number at info@bhagirad.com. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have sent their requests in advance, depending on the availability of time for the AGM.
8. **Post your Question:** The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least **2 days prior to meeting** from Friday, August 6, 2021 to Sunday, August 8, 2021, mentioning their name, demat account number/folio number, email id, mobile number at info@bhagirad.com. These queries will be replied to by the company suitably by email.
9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
10. Only those shareholders, who are 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 available during the AGM.





11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Process for those shareholders whose email addresses are not registered with the Company/ Depositories:

1. For Physical shareholders- please provide necessary details like 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) to email id Company at info@bhagirad.com / to the email id of RTA i.e. XL Softech Systems Limited at xlfield@rediffmail.com.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending the 28th AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Sri Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

General Instructions:

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on **August 3, 2021**.
- ii. The Scrutinizer, after scrutinizing the votes cast at the meeting through remote e-voting and during 28th AGM will, not later than 48 hours from the conclusion

of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.bhagirad.com and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchange.

- iii. The voting result will be announced by the Chairman or any other person authorized by him within forty-eight hours of the conclusion of the 28th AGM.

Procedure for Inspection of Documents:

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, 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 28th 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 28th AGM. Members seeking to inspect such documents can send an email to info@bhagirad.com

Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Friday, July 30, 2021 through email on info@bhagirad.com. The same will be replied by the Company suitably.

IEPF Related Information:

The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2013- 14, from time to time, to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Details of dividends so far transferred to the IEPF Authority are available on the website of IEPF Authority and the same can be accessed through the link: www.iepf.gov.in

The details of unpaid and unclaimed dividends lying with the Company as on March 31, 2021 are uploaded on the website of the Company and can be accessed through the link <https://www.bhagirad.com>. Details of unpaid and unclaimed dividends up to March 31, 2020 are also uploaded on the website of the IEPF Authority and can be accessed through the link: www.iepf.gov.in.





Notice for shareholders/investors for unpaid dividends

- i) Pursuant to the provisions of Sections 124 and 125 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 amount of dividend remaining unclaimed for a period of seven years is to be transferred to Investor Education and Protection Fund. Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2021 (In ₹)	Due Date for transfer to IEPF
2013-14	11-08-2014	81,386	15-09-2021
2014-15	08-08-2015	98,820	12-09-2022
2018-19	09-08-2019	62,246	13-09-2026

- ii) Members who have not encashed the dividend warrants so far in respect of the aforesaid periods are requested to send their claims, if any, to the company

well in advance of the above due dates. Once the amounts in the unpaid dividend are transferred to the IEPF, no claim shall lie against IEPF or the company in respect thereof and the Members will lose their right to claim such dividend.

- iii) Details of shares so far transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <https://www.bhagirad.com/reports/Dividend/IEPFtransferredshares19.pdf>
- iv) In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019, except in case of transmission or transposition of securities. In view of the above, Members are advised to dematerialize shares held by them in physical form.





Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

As required under Section 102 of the Companies Act, 2013 (hereinafter referred to as ("the Act") the following Statement sets out all material facts relating to the Special Business mentioned in the Notice.

Item No. 3.

Ratification of Remuneration to be paid to the Cost Auditors for the financial year 2021-22

The Board of Directors, on the recommendations of the Audit committee, at its meeting held on May 4th 2021 has approved the re-appointment and remuneration of M/s. Sagar & Associates, Cost Accountants in practice, as Cost Auditors of the company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022 with a remuneration of ₹ 1,00,000/- per annum (Rupees one lakh Only).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2022.

None of the other Directors are in any way concerned or interested financially or otherwise, in this resolution.

All the documents referred to in the accompanying Notice and Statement Annexed thereto would be available for inspection without any fee by the members at the Corporate Office of the Company during 10:00 a.m. to 5:00 p.m on any working day (excluding Sunday and public holidays) up to the date of the meeting.

None of the other Director(s) / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Resolution set out at Item No. 3 of the Notice for approval of the Members.

Item No. 4:

Appointment of Sri Kishor Shah (DIN: 00193288) as a Non-Executive Independent Director of the Company

Sri Kishor Shah (DIN: 00193288) was appointed as an Additional (Non-Executive Independent) Director of the Company by the Board of Directors by resolution passed

by circulation on September 14, 2020, which was ratified at the immediate next Board Meeting held on November 5, 2020 to hold office up to the conclusion of the 28th Annual General Meeting of the Company.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a Special Resolution by the Company for another term of up to five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri Kishor Shah (DIN: 00193288) being eligible for appointment as a Non-Executive Independent Director, offers himself for appointment, and accordingly it is proposed that Sri Kishor Shah (DIN: 00193288) be appointed as a Non-Executive Independent Director for five consecutive years from the conclusion of this Annual General Meeting till the conclusion of 33rd Annual General Meeting to be held in the year 2026.

The Company has received the following from Sri Kishor Shah (DIN: 00193288)-

- (i) declaration stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,
- (ii) consent in writing to act as an Non-Executive Independent Director of the Company, if so appointed by the members,
- (iii) intimation that he is not disqualified under section 164(2) of the Companies Act, 2013.
- (iv) declaration to the effect that he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India or any other authorities thereof.

Brief profile of Sri Kishor Shah (DIN: 00193288), nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships /chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligation & Disclosure





Requirements) Regulations, 2015 are forming part of this Annual Report.

The other details of Sri Kishor Shah (DIN: 00193288) in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 is annexed to this Notice. Sri Kishor Shah is not related to any Director of the Company.

Copy of letter of appointment of Sri Kishor Shah (DIN: 00193288) setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company during the business hours i.e. 10.00 a.m to 5.00 p.m. on all working days (excluding Sunday and public holidays) up to the date of the meeting.

Sri Kishor Shah (DIN: 00193288) is interested in the resolution set out at Item No.4 of the Notice. None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Resolution as set out at Item No.4 of the Notice for approval by the Members.

Item No. 5:

Appointment of Dr G Aruna (DIN: 08978947) as a Non-Executive Independent Woman Director of the Company

Dr G Aruna (DIN: 08978947) was appointed as an Additional (Non-Executive Woman Independent) Director of the Company by the Board of Directors by resolution passed by circulation on December 04, 2020, which was ratified at the immediate next Board Meeting held on January 28, 2021 to hold office up to the conclusion of the 28th Annual General Meeting of the Company.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a Special Resolution by the Company for another term of up to five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr G Aruna (DIN: 08978947), being eligible for appointment as a Non-Executive Independent Director, offers herself for appointment, and accordingly it is proposed that Dr G Aruna (DIN: 08978947) be appointed as a Non-Executive Independent Woman Director for five

consecutive years from the conclusion of this Annual General Meeting till the conclusion of 33rd Annual General Meeting to be held in the year 2026.

The Company has received the following from Dr G Aruna (DIN: 08978947)-

- (i) declaration stating that she meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,
- (ii) consent in writing to act as an Non-Executive Woman Independent Director of the Company, if so appointed by the members,
- (iii) intimation that she is not disqualified under section 164(2) of the Companies Act, 2013.
- (iv) declaration to the effect that she is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India or any other authorities thereof.

Brief profile of Dr G Aruna (DIN: 08978947), nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 are forming part of the Annual Report.

The other details of Dr G Aruna (DIN: 08978947) in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 are annexed to this Notice. Dr G Aruna is not related to any Director of the Company.

Copy of draft letter of appointment of Dr G Aruna (DIN: 08978947), setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company during the business hours i.e. 10.00 a.m to 5.00 p.m. on all working days (excluding Sunday and public holidays) up to the date of the meeting.

Dr G Aruna (DIN: 08978947) is interested in the resolution set out at Item No.5 of the Notice. None of the other Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Resolution as set out at Item No.5 of the Notice for approval by the Members.





ANNEXURE TO THE 28TH AGM NOTICE

Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and applicable Provisions of Companies Act 2013 and Secretarial Standard 2 on General Meetings, following information is furnished about the Directors proposed to be appointed / re-appointed

Brief resume of **Sri Kishor Shah** (DIN: 00193288), nature of his expertise in specific functional areas, names of Companies in which he holds directorships and chairmanships of Board / Committees and their shareholding in the Company are provided below

1.	Name of the Director	Sri Kishor Shah																																							
	Director Identification Number	00193288																																							
	Date of Birth	February 6, 1964																																							
	Date of First Appointment	September 14, 2020																																							
	Qualifications	Chartered Accountant (ICAI Membership No-053818)																																							
	Experience	Sri Kishor Shah, is a Fellow Member of the Institute of Chartered Accountants of India. He has over 30 years of experience in various senior positions in Finance and Accounts. He was associated with Balrampur Chini Mills Limited for over 21 years and served as its Chief Financial Officer and also as a Board member for about 8 years. His areas of experience include Accounting, Financial Management, Treasury Management, foreign trade, Project Finance and Compliance Management with various statutory bodies.																																							
	Remuneration Proposed to be paid	Will be entitled to sitting fees and reimbursement of actual conveyance, travelling and other expenses for each Board and Committee Meetings of the Company as approved by the Members of the Company.																																							
	List of Directorships held in other Companies/ LLP as on 31/03/2021	<table><tr><td>Sl. No.</td><td>Names of the Companies/bodies corporate/firms/ association of individuals</td><td>Nature of interest or concern / Change in interest or concern</td><td>Date on which interest or concern arose/changed</td></tr><tr><td colspan="4">Listed Public Company</td></tr><tr><td>1</td><td>GKW Limited</td><td>Director</td><td>23.09.2020</td></tr><tr><td colspan="4">Public Company</td></tr><tr><td>2</td><td>Ehaat Limited</td><td>Director</td><td>30.07.2018</td></tr><tr><td colspan="4">Private Company</td></tr><tr><td>3</td><td>Aamara Capital Private Limited</td><td>Whole Time Director</td><td>01.06.2016</td></tr><tr><td colspan="4">Body Corporate</td></tr><tr><td colspan="4">Nil</td></tr></table>				Sl. No.	Names of the Companies/bodies corporate/firms/ association of individuals	Nature of interest or concern / Change in interest or concern	Date on which interest or concern arose/changed	Listed Public Company				1	GKW Limited	Director	23.09.2020	Public Company				2	Ehaat Limited	Director	30.07.2018	Private Company				3	Aamara Capital Private Limited	Whole Time Director	01.06.2016	Body Corporate				Nil			
	Sl. No.	Names of the Companies/bodies corporate/firms/ association of individuals	Nature of interest or concern / Change in interest or concern	Date on which interest or concern arose/changed																																					
	Listed Public Company																																								
1	GKW Limited	Director	23.09.2020																																						
Public Company																																									
2	Ehaat Limited	Director	30.07.2018																																						
Private Company																																									
3	Aamara Capital Private Limited	Whole Time Director	01.06.2016																																						
Body Corporate																																									
Nil																																									
Chairman/Member of the Committees of the Boards of other companies in which he is Director as on 31/03/2021	Nil																																								
Shareholding in the Company	Nil																																								
Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any Director / Key Managerial Personnel																																								





Brief resume of **Dr G Aruna** (DIN: 08978947), nature of her expertise in specific functional areas, names of Companies in which she holds directorships and chairmanships of Board / Committees and their shareholding in the Company are provided below:

2.	Name of the Director	Dr G Aruna
	Director Identification Number	08978947
	Date of Birth	January 01, 1961
	Date of First Appointment	December 04, 2020
	Qualifications	Dr G. Aruna, did her B. Tech in Chemical Engineering from Osmania University, Hyderabad 1983 (first class with distinction) and M.S. in Chemical Engineering from Indian Institute of Science, Bangalore in 1987. She completed her Ph.D. in Chem. Engineering from Indian Institute of Sciences, Bangalore in 1993.
	Experience	She has a professional experience of about 30 years in Engineers India Limited and SABIC Research and Technology Pvt Ltd and as a consultant in Process Design of Refinery Units, upstream of Petrochemical Industries, Oil and Gas Installations, Utilities and off-sites, Effluent Treatment Plants, HSE, Safety Studies (viz., HAZOP, Risk Analysis), Research and Development.
	Remuneration Proposed to be paid	Will be entitled to sitting fees and reimbursement of actual conveyance, travelling and other expenses for each Board and Committee Meetings of the Company as approved by the Members of the Company.
	List of Directorships held in other Companies/ LLP as on 31/03/2021	NIL
	Chairman/Member of the Committees of the Boards of other companies in which she is Director as on 31/03/2021	Nil
	Shareholding in the Company	Nil
	Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any Director / Key Managerial Personnel

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

Registered Office:

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

Saheli Banerjee
 Company Secretary & Compliance Officer
 M. No: ACS-44382

Date: 4th May, 2021
 Place: Hyderabad





Board's Report

Dear Members,

Your Directors have pleasure in presenting the Twenty Eighth (28th) Annual Report of your Company together with the Audited Financial Statements for the Financial Year ended March 31, 2021. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

Financial performance

The attached Financial Statements for the year ended March 31, 2021, have been prepared in accordance with Indian Accounting Standards ("Ind AS") consequent to the Notification of the Companies (Indian Accounting Standards) Rules, 2015 issued by the Ministry of Corporate Affairs.

Financial Results

₹ in lakhs

Standalone		
Particulars	FY 2020-21	FY 2019-20
Net Sales	31789.77	24567.15
Other income	63.81	167.06
Total Income	31853.58	24734.22
PBDIT	4764.12	1859.71
Depreciation	(814.37)	(666.02)
Interest	(826.42)	(548.46)
Profit Before Exceptional Items and Tax	3123.33	645.23
Exceptional Items	105.40	247.04
Profit after Exceptional Items and before Tax	3228.73	892.27
Provision for tax (Incl. deferred tax)	(882.31)	(241.56)
Profit after tax	2346.42	650.71
Earnings per share (EPS)	28.24	7.83
Diluted (EPS)	28.24	7.83

Performance Review & State of Company's Affairs:

The sales revenue for the FY: 2020-21 was ₹ 31789.77 lakhs as against the previous year's sales revenue of ₹ 24567.15 lakhs in FY: 2019-20. The PAT attributable to shareholders for FY 2020-21 was ₹ 2346.42 lakhs as compared to the previous year's PAT of ₹ 650.71 lakhs.

Your Company has complied with all the Acts, Rules, Regulations and Guidelines issued/prescribed by the Securities Exchange Board of India, Reserve Bank of India, Ministry of Corporate Affairs and other statutory authorities.

COVID-19

The COVID-19 pandemic has emerged as a global challenge, creating disorder across the world. The economic impact of the pandemic in India has been largely devastating, which has resulted in fiscal strains, weakening of demand conditions and supply chain disruptions in the Indian agro-chemical industry.

Your Company has taken an active role in implementing all safety protocols related to COVID-19 as advised by the Government in the corporate office as well as at the Plant location. The Company adopted a work from home policy for non-site based employees during COVID-19 peak periods. The physical and emotional wellbeing of employees continues to be a top priority for the Company, with several initiatives to support employees and their families during the pandemic. The Company adhered to all the government advisories and guidelines thoroughly and in good faith.

The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business and has put in place strict monitoring process for COVID-19 precautions ensuring the following:

- Sanitizing the premises on regular basis
- Maintenance of social distancing at all work places
- Enforcing wearing of masks and face shields
- Regular update of the health of all the employees and their families
- Ensuring that all employees have installed Aarogya Setu Mobile App

The Company has enabled benefits and extended services for all employees and eligible dependents during the COVID-19 pandemic & implemented precautions as follows:

- Proper hygienic working conditions are maintained
- Providing assistance in Vaccination for employees
- Health Insurance Facilities to all the employees and their family members.





Your Company has also contributed ₹ 21.58 lakhs (Rupees Twenty one lakh fifty eight thousand only) towards COVID-19 relief activities, out of its Corporate Social Responsibility budget of ₹ 25.00 lakhs (Rupees Twenty five lakhs only) for FY 2020-21.

In light of COVID-19 and its expected impact on the operating environment, the key priorities of the Company were: (a) to closely monitor supply chain, (b) conserve cash and (c) control fixed costs. During this period, the Company has also initiated digital interventions to honour its commitment to suppliers and partners.

Transfer to reserves

The closing balance of the reserves of the Company for FY 2020-21, after all appropriation and adjustments stood at ₹ 147.50 Crores.

Share capital

The paid up capital of the company is ₹ 8,30,97,000 divided into 83,09,700 equity shares of ₹ 10/- each. During the financial year, the Company has not raised any funds in the form of equity. During the year under review, your Company has not issued any further shares.

Variation in market capitalization

Particulars	As at March 31		Increase/ (decrease) in %
	2021	2020	
Market Capitalisation (₹ in Crores)	420	209	101.10%

Note: Data based on share prices quoted on BSE

Dividend

The alarming situation in the country today, created by the second wave of COVID-19 pandemic is unprecedented and could cause a serious economic dislocation in industry and commerce. The trend of increasing deaths and COVID-19 cases in the states of Telangana, Andhra Pradesh and elsewhere has given rise to supply side issues of certain critical raw materials, impacting production schedules of the Company in the short term. It is feared that further spread of virus may lead to imposition of curfews and lock-down by government, thereby hampering the production, sales and economic activity in general. Considering these uncertainties and in order to conserve resources, it was decided to not consider payment of dividend for 2020-21 despite better profits.

The company values its shareholder relationship and will make every effort it can to reward its shareholders appropriately once the situation improves. We are confident that the shareholders fully support its decision in these difficult times.

Dividend Distribution Policy

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

Change in the nature of the business, if any

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

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, 2021.

Deposits

Your Company has not accepted any deposits from the Directors/ Shareholders/Public falling within the ambit of Sections 73 and 74 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, during the year under review and hence there are no unpaid/unclaimed deposits nor amount of principal or interest on public deposits outstanding as on the Balance Sheet date.

Indian Accounting Standards (Ind AS)

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





Consolidated Financial Statements

The Consolidated Financial Statements of the Company and its subsidiaries for FY 2020-21, are prepared in compliance with the applicable provisions of the Act and as stipulated under Regulation 33 of the Listing Regulations as well as in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. The Audited Consolidated Financial Statements together with the Auditor's Report thereon form part of this Annual Report.

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate annual accounts in respect of subsidiaries are available on the website of the Company. The annual accounts of the subsidiaries and related detailed information will be made available to investors seeking information till the date of the AGM.

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, 2021.

Management Analysis

COVID-19 was not only a health crisis, it had far-reaching implications on the global economy also. The pandemic led to a sharp decline in global trade, lower commodity prices and tighter liquidity conditions.

The contraction in GDP seen in many countries, including India, was because of reduced economic activity and restricted mobility, due to COVID-19 as people curtailed discretionary spending and focused on essentials and precautionary savings due to the level of uncertainty. The pandemic affected both demand and supply, at least in the short-term. As lockdowns eased across the world, economic activity gradually started to recover.

The November RBI Consumer Confidence Survey showed that, while consumer sentiment was higher by November, compared to July and September 2020, it remained lower than in November 2019. Exports and imports both declined as a result of reduced consumer and industrial demand.

According to the Economic Survey 2020-2021, the government adopted a four-pillar strategy of containment, fiscal, financial, and long-term structural reforms. India had

good monsoons, and the Indian agriculture sector achieved record food grain production and registered positive growth despite the coronavirus pandemic. Rural consumption was stronger than urban demand.

According to India's Economic Survey 2020-2021, India remained a preferred investment destination in financial year 2020-21.

Risks and Threats

Global and Macro-Economic Factors:

Global and macro-economic factors may lead to an impact in demand and sharp inflation in commodity prices could create risks. Changes as a result of constricted movement impacted the global economy.

Information Technology Vulnerability:

As a result of COVID-19, the dependence on IT increased substantially because of the remote working conditions. However, excessive dependence on IT has also led to vulnerability to cyber-attacks. To address this, your Company has put in place a robust IT system and firewalls to mitigate any threats and risks.

Confronting Climate Emergency

Climate change continues to be a threat to the world. Your Company is committed towards addressing climate change and protecting the environment and has taken important steps towards conserving resources such as energy and water. Your Company is continuously reducing waste and emissions while simultaneously optimizing production operations.

Quality and Safety

Your Company's priorities during the pandemic were to keep its people safe, assure continued supply of essential products for its consumers and support its business partners.

Your Company organized regular awareness sessions for its employees on COVID-19 prevention measures, social distancing and sanitation. Your Company ensured stringent social distancing at workstations through installation of physical barriers as per the standard guidelines.

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.





Subsidiaries, Associates and Joint Ventures

During the year under review, your Company has incorporated a wholly owned Subsidiary Company, namely Bheema Fine Chemicals Private Limited "Bheema" (CIN: U24299TG2020PTC142050), on July 22, 2020, with its registered office at Plot no- 3, Sagar Society, Road No 2, Banjara Hills, Hyderabad-500034, with an object to set up an agrochemical manufacturing unit.

"Bheema" acquired 33.90 acres of industrial land from Karnataka Industrial Areas Development Board on 99 year lease basis in Kadachur Industrial Area, Yadgir District Karnataka, for setting up its manufacturing plant. The company is now in the process of seeking approvals from Ministry of Environments and Forests, Government of India. On receipt of necessary approvals, the construction works shall begin. The details of transactions with the subsidiary company are available in the AOC-1 which is forming part of the Annual Report as Annexure-I.

The Company's Policy on determining material subsidiaries, as approved by the Board, is uploaded on the Company's website at <http://www.bhagirad.com/corporate.html>

There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"), and during the financial year under review, your Company has not added/removed any joint ventures or associate companies.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of its wholly-owned Subsidiary are available on the website of your Company www.bhagirad.com. These documents will also be available for inspection during the business hours of the Company at its registered office in Hyderabad, India.

Directors and Key Managerial Personnel

Directors

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. All Independent Directors have provided confirmations as provided under section 149(7) of the Act.

Appointment:

Pursuant to the recommendations of the Nomination and Remuneration Committee ('NRC'), the Board of Directors appointed Sri Kishor Shah (DIN: 00193288) and Dr G Aruna (DIN: 08978947) as Additional Directors of the Company with effect from September 14, 2020, and December 04, 2020, respectively, subject to approval of the Members at the ensuing AGM.

The Board recommends the appointment of Sri Kishor Shah (DIN: 00193288) and Dr G Aruna (DIN: 08978947) as Independent Directors of the Company by way of an Ordinary Resolution.

Cessation and Resignations:

During the year under review, Smt A. Lakshmi Sowjanya, (DIN: 06762052) Non-Executive Independent Director of the Company had resigned from the Board w.e.f. September 09, 2020 due to her personal reasons and other commitments. The Board placed on record its appreciation for the contribution and guidance provided by her during her tenure as Independent Director.

Retirement and Re-appointments:

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Sri D. Sadasivudu, Non-Executive Director of the Company, retires by rotation at the 28th Annual General Meeting. But, Sri. D Sadasivudu (DIN: 00017637), has expressed his un-willingness to be re-appointed in the ensuing AGM in view of his advancing age.

Based on the current composition of Directors of the Company, which is in compliance with the provisions of Companies Act 2013 and SEBI Listing Regulations, the Board resolved not to fill the vacancy, for the time being, caused by the retirement of Sri. D. Sadasivudu (DIN: 00017637) at the conclusion of the 28th Annual General meeting.

The Board placed on record its deep sense of gratitude and appreciation for the invaluable contribution and guidance provided by him during his tenure as Director of the Company.





Independent Directors:

During the year under review, the following are the Independent Directors of the Company, in terms of Section 149 of the Act:

Name of the Director	DIN	Category
Sri. Sudhakar Kudva	02410695	Non-Executive Independent Director
Sri. G.S.V Krishna Rao	08199210	Non-Executive Independent Director
Smt A. Lakshmi Sowjanya (resigned wef 09.09.2020)	06762052	Non-Executive Independent Woman Director
Sri. Kishor Shah (appointed wef 14.09.2020)	00193288	Non-Executive Independent Director
Dr G Aruna (appointed wef 04.12.2020)	08978947	Non-Executive Independent Woman Director

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations also declaring that they are not disqualified from continuing as Independent Directors and that they are independent from the management.

The Independent Directors of the Company hold office for a term of five years or until attaining the age of 75 years, whichever is earlier. They are not liable to retire by rotation in terms of Section 149(13) of the Act. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of science and technology, digitalization, human resources, strategy, auditing, tax and risk advisory services, financial services, corporate governance, etc. and that they hold highest standards of integrity. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Familiarization Programme for Directors

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 new Directors.

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

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

Details of Familiarization Programme for the Independent Directors are provided separately in the Corporate Governance Report which forms a part of this Annual Report and also uploaded on the website of the Company at www.bhagirad.com.

Key Managerial Personnel ('KMP'):

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

Name of the Director	DIN/ Membership No	Category/ Designation
Sri S. Chandra Sekhar	00159543	Managing Director
Sri Ketan Chamanlal Budh	08199210	Whole time Director
Sri A. Arvind Kumar	-	Chief Executive Officer
Sri B. Krishna Mohan Rao	-	Chief Financial Officer
Smt B. N. Suvarchala (resigned wef 19.10.2020)	(ACS: 32684)	Company Secretary and Compliance officer
Smt Saheli Banerjee (appointed wef 05.11.2020)	(ACS: 44382)	Company Secretary and Compliance officer

During the year under review, Smt B. N. Suvarchala (ACS: 32684), Company Secretary and Compliance officer had resigned w.e.f. October 19, 2020. The Company values her contribution during her tenure as the Company Secretary of the company.





Governance Guidelines

The Company has adopted the Governance Guidelines on Board Effectiveness to fulfill its corporate governance responsibility towards its stakeholders. The Governance Guidelines cover aspects relating to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director's term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director's remuneration, subsidiary oversight, code of conduct, review of Board effectiveness and mandates of Committees of the Board.

Procedure for Nomination and Appointment of Directors

The Nomination and Remuneration Committee (NRC) is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or reappointment is required. The Committee is also responsible for reviewing the profiles of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

During FY 2020-21, the Board had also identified the list of core skills, expertise and competencies of the Board of Directors as are required in the context of the businesses and sectors applicable to the Company and those actually available with the Board. The Company has also mapped each of the skills, expertise and competencies against the names of the Board Members possessing the same.

Criteria for determining Qualifications, Positive Attributes and Independence of a Director

The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and the Listing Regulations. The relevant information has been given in Annexure-IX which forms part of this Report.

Nomination and Remuneration Policy

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

Declaration from Directors

Your Company has received necessary declaration from all directors stating that they are not debarred or disqualified from being appointed or continuing as Directors of companies as per the Securities and Exchange Board of India, Reserve Bank of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Evaluation of the Board

Pursuant to the provisions of the Act, and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the Directors. The criteria for performance evaluation of the Board was based on the Guidance Note issued by SEBI on Board Evaluation which included aspects such as Board composition and structure, effectiveness of Board processes, contribution in the long term strategic planning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members. The criteria for performance evaluation of the Committees was based on the Guidance Note issued by SEBI on Board Evaluation which included aspects such as structure and composition of committees, effectiveness of committee meetings, etc.

In a separate meeting, the Independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole. They also evaluated the performance of the Chairman (as elected by the Board for each meeting of the Board of Directors)





taking into account the views of Executive Directors and Non-Executive Directors. The NRC reviewed the performance of the Board, its Committees and of the Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors and NRC, at which the feedback received from the Directors on the performance of the Board and its Committees was also discussed.

Significant highlights, learning and action points with respect to the evaluation were discussed by the Board. Appropriate actions were taken on the suggestions made by the Board during the Annual Evaluation process and presented to the Board.

Committees of the Board

Currently, the Board has four committees i.e. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship 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:

Name of the Committee	Composition of the Committee	Highlights of duties, responsibilities and activities
Audit committee	Sri Sudhakar Kudva (C) Sri Chandra Sekhar Singavarapu (M) Sri G.S.V. Krishna Rao (M) Sri Kishor Shah (M)	All recommendations made by the audit committee during the year were accepted by the Board. Reviewing with the management, the quarterly financial statements before submission to the Board for approval. Approval or any subsequent modification of transactions of the Company with related parties. Reviewing with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems, etc.
Nomination and Remuneration Committee	Sri Sudhakar Kudva (C) Sri K. S. Raju (M) Sri G.S.V. Krishna Rao (M)	The committee oversees and administers executive compensation, operating under a written charter adopted by our Board of Directors. The nomination and remuneration committee has framed the nomination and remuneration policy.
Corporate Social Responsibility Committee	Sri Sudhakar Kudva (C) Sri Chandra Sekhar Singavarapu (M) Smt Lalitha Sree Singavarapu (M)	To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be Undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under. To monitor the implementation of the CSR Policy of the Company from time to time
Stakeholders Relationship Committee	Sri G. S. V. Krishna Rao (C) Sri Sudhakar Kudva (M) Sri Dodda Sadasivudu (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.

C- Chairperson M-Member

Meetings of the Board

During the year, four meetings of the Board of Directors of the Company were convened and held 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 comprises the aspects relating to Composition of Board and Committees, Terms of Directors, Nomination, Appointment, Development of Directors, Code of Conduct, Effectiveness of Board and Committees, review and their mandates.





Policies

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the corporate policies are available in the Company 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 whistleblower 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.	https://www.bhagirad.com/reports/policy/WhistleBlowerPolicy.pdf
Insider Trading Policy and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	The Company has adopted a Code of Conduct to Regulate, Monitor & Report Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as per the SEBI (Prohibition of Insider Trading) Regulation 2015, with a view to regulate trading in securities by the Directors and Designated Persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed and other certain situations. All Board of Directors and the designated employees have confirmed compliance with the Code.	https://www.bhagirad.com/reports/policy/Code%20for%20Prohibition%20of%20Insider%20Trading.pdf
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.	https://www.bhagirad.com/reports/policy/Nominationandremunerationpolicy.pdf
Corporate Social Responsibility Policy	The policy outlines the Company's strategy to bring about a positive impact on Society through programs relating to hunger, poverty, education, healthcare, environment etc., as per the provisions of the Companies Act, 2013.	https://www.bhagirad.com/reports/policy/CSR%20Policy0819.pdf
Related Party Transaction Policy	The policy regulates all transactions between the Company and its related parties	https://www.bhagirad.com/reports/policy/RelatedPartyTransactionsPolicy.pdf
Policy on Preservation of Documents	The policy is for the preservation of corporate records of the Company.	https://www.bhagirad.com/reports/policy/Policy%20for%20Preservation%20of%20Documents.pdf





Name of the policy	Brief description	Web link
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.	https://www.bhagirad.com/reports/policy/Policy%20for%20Determining%20Materiality%20of%20Events%20and%20Information.pdf
Policy for Determining Material Subsidiaries	The policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the Company and to provide the governance framework for them.	http://www.bhagirad.com/reports/policy/Policy%20for%20Determining%20Material%20Subsidiariesmay21.pdf
Archival Policy	The policy deals with the retention and archival of corporate records of the Company.	http://www.bhagirad.com/reports/policy/Archival%20Policy-may21.pdf
Dividend Distribution Policy	This Policy is to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes.	http://www.bhagirad.com/reports/policy/Dividend%20Distribution%20Policymay21.pdf
Policy on Prohibition of Sexual Harassment	This Policy is adopted to protect women against sexual harassment at workplace and to ensure safe working environment for women	http://www.bhagirad.com/reports/policy/POLICY%20ON%20PROHIBITION%20OF%20SEXUAL%20HARASSMENT.pdf
Risk Management Policy	This Policy is a formal representation of the Company's commitment to Risk Management. The Policy is supported by the Risk Management & Assessment Framework which provides guidance with regard to the processes that underpin effective and consistent risk management.	http://www.bhagirad.com/reports/policy/Risk%20Managent%20Policy-may21.pdf
Board Diversity Policy	This Policy on Board Diversity (the "Policy") sets out the Company's approach to ensuring adequate diversity in its Board of Directors (the "Board")	http://www.bhagirad.com/reports/policy/Policy%20on%20Board%20Diversity-may21.pdf
Business Responsibility Policy	This Policy endorses the Company's commitment to follow principles and core elements, in conducting its business, as laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of Business.	http://www.bhagirad.com/reports/policy/Business_Responsibility_Policy-may21.pdf

Revision of Financial Statements

There was no revision of financial statements and Board Report of the Company during the year under review.

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. S. Singhvi & Co., Chartered Accountants (Firm Registration No.: 003872S), were appointed as the statutory auditors at the Annual General Meeting held on 27th September, 2017 for a term of five (5) years from

the conclusion of the 24th annual general meeting till the conclusion of 29th Annual General Meeting.

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.

Further, the report given by M/s. S. Singhvi & Co., Chartered Accountants (Firm Registration No.: 003872S), Statutory Auditors along with notes to Schedules is a part of the





Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Cost Auditors

As per Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to prepare, maintain as well as have the audit of its cost records conducted by a Cost Accountant and accordingly it has made and maintained such cost accounts and records. The Board, on the recommendation of the Audit Committee has appointed M/s. Sagar & Associates, Cost Accountants, Hyderabad (Firm Registration No. 000118) as the Cost Auditors of the Company for FY 2021-22 under Section 148 and all other applicable provisions of the Act.

The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. M/s. Sagar & Associates, Cost Accountants, Hyderabad (Firm Registration No. 000118), have further confirmed that they are free from disqualification specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act and that the appointment meets the requirements of Section 141(3) (g) of the Act. They have further confirmed their independent status and an arm's length relationship with the Company.

The remuneration payable to the Cost Auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a resolution for seeking Members' ratification for the remuneration payable to M/s. Sagar & Associates, Cost Accountants, Hyderabad (Firm Registration No. 000118), is included in this Notice convening the 28th Annual General Meeting of your Company.

Secretarial Auditors

The Secretarial Audit for the financial year ended March 31, 2021, was carried out by M/s. RPR & Associates, Practicing Company Secretaries (PCS Registration No. 5360). The Report given by the Secretarial Auditors in Form MR-3, is annexed as Annexure-IV and forms integral part of this Report.

The Secretarial Audit Report is self-explanatory and does not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Secretarial Auditors had not reported any matter under

Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

In terms of the amended SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company had obtained the Secretarial Compliance certificate from Sri Y Ravi Prasada Reddy, (Membership No.: FCS 5783), Proprietor of M/s. RPR & Associates, Practicing Company Secretaries (PCS Registration No. 5360) which forms part of the Annual Report and the same was also intimated to the Stock Exchange 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 Company has obtained a certificate from Sri Y Ravi Prasada Reddy, (Membership No.: FCS 5783), Proprietor of M/s. RPR & Associates, Practicing Company Secretaries (PCS Registration No. 5360) which forms part of the Annual Report and the same was also intimated to the Stock Exchanges where the shares of the Company are listed.

In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee recommended and the Board of Directors appointed M/s. RPR & Associates, Practicing Company Secretaries (PCS Registration No. 5360) as the Secretarial Auditors of the Company in relation to the financial year ending March 31, 2022.

The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. The Secretarial Auditors have confirmed that they are not disqualified to be appointed as the Secretarial Auditors of the Company for the year ending March 31, 2022.

Secretarial Standards

During the year, your Company has complied with applicable Secretarial Standards i.e. SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively.

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and ensured that such systems were adequate and operating effectively





Internal Auditors

The Company has an external firm of Chartered Accountants acting as internal auditors that reviews internal controls and operating systems and procedures as per the scope of audit. The Internal Audit Reports of the company are reviewed by the Audit Committee on quarterly basis.

The Board of Directors, on recommendation of the Audit Committee appoints/re-appoints the Internal Auditors of your Company every year in compliance with Section 138 of the Act read with the Companies (Accounts) Rules, 2014.

Declaration as per Section 134(3) (ca) of the Companies Act, 2013

During the year, the statutory auditors and secretarial auditor have not reported any instances of frauds committed by or against the Company by its Directors/ Officers/ Employees to the Audit Committee or Board under section 143(12) of the Companies Act, 2013 and rules made thereof. Therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

CEO & CFO Certification

Chief Executive Officer and the Chief Financial Officer also give 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.

The Managing Director and the Chief Financial Officer of the Company have 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 the Managing Director and the Chief Financial Officer forms part of the Annual Report.

Listing and Custodian Fees

The equity shares of your Company were listed at BSE Limited, Mumbai. The applicable annual listing fees was paid within the due date. The annual custodian fees has also been paid to the depositories within the due date.

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.

Whistle blower Policy

The Company has adopted a Whistle-blower Policy to provide a formal mechanism to the Directors, Employees and its Stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Protected disclosures can be made by a whistle-blower through several channels.

The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. No personnel of the Company have been denied access to the Audit Committee.

The Whistle-blower Policy also facilitates all employees of the Company to report any instance of leak of Unpublished Price Sensitive Information. The Policy is also posted on the website of the Company at www.bhagirad.com

Vigil Mechanism

The Vigil Mechanism of the Company is governed by the Company's Code of Business Conduct and Vigil Mechanism/ Whistle-blower Policy. The documents are available on Company's website at www.bhagirad.com

The said mechanism is available to the Director(s)/ Employee(s), who can report to the Company Secretary, on a confidential basis, any practices or actions believed to be inappropriate or illegal under the Company's Code of Business Conduct ("the Code"). The Code/ Policy provides for adequate safeguards against victimization of director(s)/ employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. It is affirmed that no person has been denied access to the Audit Committee.

The Company sensitizes the availability of the above vigil mechanism from time to time to the directors and employees of the Company.

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.

Prevention of Sexual Harassment ('POSH')

The Company is committed to promoting a work environment that is conducive to the professional





growth of all its employees and encourages equality of opportunity. The Company does not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment.

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 has a dedicated framework for its workplaces to address complaints pertaining to sexual harassment in accordance with the POSH Act.

All records of complaints, including contents of meetings, results of investigations and other relevant material will be kept confidential by the Company except where disclosure is required under disciplinary or other remedial processes. The Company spreads awareness among the personnel periodically by disclosing the following information:

Sl No	Particulars	Status of the No. of complaints received and disposed off
1	Number of complaints on sexual harassment received	Nil
2	Number of complaints disposed of during the year	Nil
3	Number of cases pending for more than ninety days	Not Applicable
4	Number of workshops or awareness programmes against sexual harassment carried out	The Company conducts necessary awareness programmes for its employees
5	Nature of action taken by the employer or district officer	Not Applicable

No sexual harassment complaint was received during the financial year 2020-21

The Company has a policy for prevention of Sexual Harassment, which ensures a free and fair enquiry process with clear timelines for resolution. The Policy is also posted on the website of the Company at: <http://www.bhagiradha.com/reports/policy/POLICY%20ON%20PROHIBITION%20OF%20SEXUAL%20HARASSMENT.pdf>

Directors' Responsibility Statement

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

- In the preparation of the annual accounts (Standalone & Consolidated) for the financial year 2020-21, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed and there are no material departures from the same.
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year ended 31st March, 2021 and the Profit of the Company for the year under review.
- 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.
- The Directors have prepared the annual accounts on a 'going concern' basis.
- 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.
- 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.

Governance and Compliance

The Secretarial and Legal functions of the Company ensure maintenance of good governance within the organization. They assist the business in functioning smoothly by being compliant at all times and providing strategic business partnership in the areas including legislative expertise, corporate restructuring, regulatory changes and governance.

Extract of the Annual Return

Pursuant to Section 92(3) read with Section 134(3) of the Companies Act, 2013, the Annual Return as on





March 31, 2021 is available on the Company's website- <http://www.bhagirad.com/financials.html>.

Particulars of loans, guarantees and investments

The Company has not given any loans, guarantees or security in connection with loans or made any investments other than to its wholly owned subsidiary during the year.

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

Related Parties Transactions

The Company has formulated a Policy on Related Party Transactions and manner of dealing with related party transactions which is available on the Company's website at the link <http://www.bhagirad.com/reports/policy/RelatedPartyTransactionsPolicy.pdf>

All related party transactions entered into during FY 2020-21 were on an arm's length basis and in the ordinary course of business. None of the transactions with

related parties fall under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is given in Annexure II in Form No. AOC-2 and the same forms part of this report.

All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. The transactions entered into pursuant to the omnibus approval so granted are reviewed by the internal audit team. Thereafter, a statement giving details of all related party transactions, entered pursuant to omnibus approval so granted, is placed before the Audit Committee on a quarterly basis for its review.

The details of the transactions with related parties are provided in the accompanying Financial Statements.

Transfer of Un-Claimed Dividends/Shares

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

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2021 (In ₹)	Due Date for transfer to IEPF
2013-14	11-08-2014	81,386	15-09-2021
2014-15	08-08-2015	98,820	12-09-2022
2018-19	09-08-2019	62,246	13-09-2026

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, read with the IEPF Rules as amended from time to time, the amount of dividend remaining unclaimed for a period of seven years is to be transferred to Investor Education and Protection Fund. Information in respect of such unclaimed dividend when due for transfer to the said Fund is mentioned above.

Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account') within a period of thirty days of such shares becoming due to be transferred to the IEPF Account.

Accordingly, the Company will transfer such equity shares on which the dividend remained unpaid or unclaimed for seven consecutive years to the Demat account of IEPF Authority, after following the prescribed procedure.

The voting rights on the shares outstanding shall remain frozen till the rightful owner of such shares claims the shares. The company sends reminders to the shareholders concerned to claim the unclaimed and unpaid dividends & shares thereof before they are transferred to the IEPF Authority as per the applicable provisions.

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 www.iepf.gov.in as per the procedure prescribed thereon.

Smt Saheli Banerjee is the Nodal Officer who is appointed by the Company under the provisions of IEPF.

Internal Controls

The Company has put in place adequate system of internal controls commensurate with its size and the nature of its operations. The Company's internal control system covers the following aspects:

- Financial propriety of business transactions.
- Safeguarding the assets of the Company.
- Compliance with prevalent statutes, regulations, management authorization, policies and procedures.

The Audit Committee of the Board periodically reviews audit plans, observations and recommendations of the internal and external auditors, with reference to the significant risk areas and adequacy of internal controls and keeps the Board of Directors informed of its observations, if any, from time to time.

Internal Financial Controls

Internal financial control systems of the Company 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 unauthorized use, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Company has a well-defined delegation of authority with specified limits for approval of expenditure, both capital and revenue. The Company uses an efficient accounting system to record day-to-day transactions for accounting and financial reporting.

The Audit Committee deliberated with the members of the management, considered the systems as laid down and met the internal auditors and statutory auditors to ascertain their views on the internal financial control systems. The Audit Committee satisfied itself as to the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed.

However, the Company recognizes that no matter how the internal control framework is, it has inherent limitations and accordingly, periodic audits and reviews are put in

place to ensure that such systems are updated on regular intervals.

Details of internal control system are given in the Management Discussion and Analysis Report, which forms part of this Annual Report.

Risk Management

During the year, the risk assessment parameters were reviewed and modified. The audit committee reviewed the elements of risk and the steps taken to mitigate the risks. In the opinion of the Board, there are no major elements of risk which have the potential of threatening the existence of the Company.

The audit committee provides the framework of Risk Management by describing mechanisms for the proactive identification and prioritization of risks based on the scanning of the external environment and continuous monitoring of internal risk factors.

Analysis of the risks identified is carried out by way of focused discussion at the meetings of the Board. The robust governance structure has also helped in the integration of the Enterprise Risk Management process with the Company's strategy and planning processes where emerging risks are used as inputs in the strategy and planning process. Identified risks are used as one of the key inputs in the strategy and business plan.

Human Resources and Industrial Relations

Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Your company ensures that it provides a harmonious and cordial working environment to all its employees. To ensure good human resources management, your Company focused on all aspects of the employee lifecycle. This provides a holistic experience for the employee as well. During their tenure at the Company, employees are motivated through various skill- development program, engagement and volunteering programs. Your Company has a structured induction process and management development programs to upgrade skills of its employees. Objective appraisal systems based on Key Result Areas are in place for all employees.

Your Company is committed to nurturing, enhancing and retaining talent through superior Learning & Organizational Development. This function is a critical pillar to support the organization's growth and its sustainability in the long run.





The number of permanent employees on the rolls of the Company as of March 31, 2021 was 385.

Credit Rating

CARE Rating has revised the credit rating to BBB-; Outlook: Negative; for long term and CARE A3 for short term borrowings of the Company from banks.

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-III 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.

In terms of the Companies Act, 2013, the said statement will be open for inspection upon request by the Members. Any Member interested in obtaining such particulars may write to the Company Secretary at cs@bhagirad.com.

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

The particulars as required to be disclosed pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, are given to the extent applicable in the Annexure forming part of this Report enclosed as Annexure - VI.

Corporate Social Responsibility (CSR)

Your Company constituted a Corporate Social Responsibility Committee ("CSR Committee") in accordance with Section 135 of the Companies Act, 2013.

The CSR Committee of the Board evaluated various options to implement the CSR activities and decided to contribute the mandated CSR amount in such activities/projects, which are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR Policy. The Policy has been uploaded on the Company's website at www.bhagirad.com.

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-V of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy)

rules, 2014, the Company's CSR efforts included COVID-19 relief activities.

Business Responsibility Report

Pursuant to regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, top 1000 listed entities based on their market capitalization as on 31st March every year, are required to submit their Business Responsibility Report (BRR) as a part of their Annual Report. The Annual Report shall contain a Business Responsibility Report (BRR) describing the initiatives taken by the Company from an environmental, social and governance perspective. BRR has been designed as a tool to help companies understand the principles and core elements of responsible business practices and start implementing improvements which reflect their adoption in the manner the company undertakes its business. In compliance with the regulation, the Business Responsibility Report is annexed as Annexure-VII to the Board's Report.

Corporate Governance

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. It is imperative that your company's affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of the stakeholders.

The Report on corporate governance for the year ended 31st March, 2021, pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto as Annexure-VIII.

Auditors' certificate on Corporate Governance

As required by SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the auditor's certificate on corporate governance regarding the compliance of conditions forms part of the Annual Report.

Regulatory Orders

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

Prevention of Insider Trading Code

As per SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time, the Company has





adopted a Code of Conduct for Prevention of Insider Trading. The Company has appointed Smt Saheli Banerjee, as Company Secretary & Compliance Officer of the Company, who is responsible for setting forth procedures and implementation of the code of conduct for trading in Company's securities. During the year under review, there has been due compliance with the said code.

Research & Development

The Company lays great emphasis on R&D which forms the core of the business development strategy. The R&D department 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 have brought and will continue to bring good business for the company.

Health, Safety and Environment protection

The Company is committed to excellence in safety, health, environment and quality management. 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. The management of your Company is focused on continuous improvement in these areas which are fundamental to the sustainable growth of the Company. During the year, the Company continued to provide family health insurance cover of up to ₹ 2 lakhs to all its employees.

Industrial relations

During the year under review, industrial relations remained cordial and stable. The directors wish to place on record

their sincere appreciation of the co-operation received from employees at all levels.

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.

Acknowledgement

Your Company has been able to operate efficiently the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas over the years as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

The Board of Directors takes this opportunity to place on record their appreciation for the unstinted co-operation, commitment and dedication of all the employees of the Company, and the support extended by the channel partners, customers, vendors, business associates, banks, government authorities and all concerned. The Directors are thankful to the shareholders for their continued patronage.

Your Directors look forward to the long-term future with confidence.

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

Registered Office

Plot No. 3, Sagar Society, Road No. 2
Banjara Hills, Hyderabad - 500034
CIN: L24219TG1993PLC015963
Ph: +91-040 42221212/ 2323
E-mail: info@bhagirad.com

Date: 4th May, 2021
Place: Hyderabad

K S Raju
Chairman
(DIN: 00008177)

S Chandra Sekhar
Managing Director
(DIN: 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/associate companies/joint ventures

PART - A: SUBSIDIARIES

S. No.	Particulars	Details
1	Name of Subsidiary	Bheema Fine Chemicals Private Limited (wholly owned subsidiary)
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2020 to March 31, 2021
3	Date of acquiring subsidiary	July 22, 2020
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	801.00
6	Reserves & Surplus	(14.54)
7	Total Assets	809.87
8	Total Liabilities	23.41
9	Investments	-
10	Turnover	-
11	Profit before taxation	(14.54)
12	Provision for taxation	-
13	Profit after taxation	(14.54)
14	Proposed Dividend	-
15	% of shareholding	100%

PART - B: Associate Companies/Joint Ventures : NA

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

For and on behalf of the Board of Directors

Bhagiradha Chemicals and Industries Limited

K S Raju

Chairman

DIN NO.: 00008177

S Chandra Sekhar

Managing Director

DIN NO.: 00159543

A Arvind Kumar

Chief Executive Officer

B Krishna Mohan Rao

Chief Financial Officer

Saheli Banerjee

Company Secretary & Compliance Officer

M.No. A 44382

Place : Hyderabad

Date : 4th May, 2021





ANNEXURE-II

FORM NO. AOC-2**Details of Related party Transactions**

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2021, which were not at arms' length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars		Details	
Name (s) of the related party	Bheema Fine Chemicals Private Limited	VNA Express And Logistics Solutions	Agnova Chemicals Private Limited
Nature of Relationship	Wholly owned subsidiary	Sri Ketan Chamanlal Budh, Whole time Director of the Company, is interested	Sri. Ketan Chamanlal Budh, Whole time Director of the Company, is interested.
Nature of contracts/arrangements/ transaction	Investments in Subsidiary	Service	Sale & Purchases of goods
Duration of the contracts/ arrangements/transaction	During FY 2020-21	During FY 2020-21	Case to case purchase order/Invoice
Value of contracts/arrangements/ transactions during the Year	₹ 801 lakhs	₹ 9.28 lakhs	₹ 94.96 lakhs
Justification for entering into such contracts or arrangements or transactions	Business Requirements on regular basis.	Business Requirements on regular basis.	Business Requirements on regular basis.
Date of approval by the Board	January 28, 2021	June 23, 2020.	June 23, 2020
Amount paid as advances, if any	Nil	Nil	Nil

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

Registered Office

Plot No. 3, Sagar Society, Road No. 2
Banjara Hills, Hyderabad - 500034
CIN: L24219TG1993PLC015963
Ph: +91-040 42221212/ 2323
E-mail: info@bhagirad.com

Date: 4th May, 2021
Place: Hyderabad

K S Raju
Chairman
(DIN: 00008177)

S Chandra Sekhar
Managing Director
(DIN: 00159543)





Annexure-III

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 2020-21 as compared to FY 2019-20
Sri S. Chandra Sekhar	Managing Director	56.25	52.98
Sri Ketan Chamanlal Budh	Whole time Director	12.93	(5.75)

MRE: Median Remuneration of Employees

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

Name of the director	Category	Sitting Fee in FY 2020-21 (₹)	% increase /(decrease) of Sitting fees in FY 2020-21 as compared to FY 2019-20
Sri K.S.Raju	Non-Independent Non-Executive Chairman	1,20,000	N.A
Sri D. Sadasivudu	Non-Independent Non-Executive Director	1,10,000	N.A
Smt S. Lalitha Sree	Non-Independent Non-Executive Director	1,20,000	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	30.23	26.42
Sri B. Krishna Mohan Rao	Chief Financial Officer	11.87	(0.14)
Smt Saheli Banerjee*	Company Secretary	1.89	N.A
Smt B. N. Suvarchala* [@]	Company Secretary	3.84	(2.34)

@ % calculated on annualized basis

*Smt B. N. Suvarchala (ACS: 32684), Company Secretary and Compliance officer had resigned w.e.f. October 19, 2020, & Smt Saheli Banerjee (ACS: 44382) was appointed as Company Secretary and Compliance officer on November 5, 2020.





- The percentage increase in the median remuneration of employees in the financial year: 11.43%.
- The number of permanent employees on the rolls of the Company as of March 31, 2021 was 385.
- 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

Details of employee Employed throughout the financial year was in receipt of remuneration for that year which in the aggregate, was not less than One Crore and Two lakh rupees: Nil.

Details of employee Employed for a part of the financial year who were 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.

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

Registered Office

Plot No. 3, Sagar Society, Road No. 2
Banjara Hills, Hyderabad - 500034
CIN: L24219TG1993PLC015963
Ph: +91-040 42221212/ 2323
E-mail: info@bhagirad.com

Date: 4th May, 2021
Place: Hyderabad

K S Raju
Chairman
(DIN: 00008177)

S Chandra Sekhar
Managing Director
(DIN: 00159543)





Annexure-IV

Secretarial Audit Report

Form No. MR-3

For the Financial Year ended 31st March, 2021

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **31st March, 2021**, (i.e. from 1st April, 2020 to 31st March, 2021) 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, 2021 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;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the financial year);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the financial year) ;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018 (Not applicable to the Company during the financial year);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the financial year).





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

- (y) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

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

For **RPR & ASSOCIATES**
Company Secretaries

Y Ravi Prasada Reddy
Proprietor

FCS No. 5783, C P No. 5360
UDIN: F005783C000224023

Place: Hyderabad
Date: 30th April, 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 Secretarial Audit Report

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.

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

Y Ravi Prasada Reddy
Proprietor

Place: Hyderabad
Date: 30th April, 2021

FCS No. 5783, C P No. 5360
UDIN: F005783C000224023





Annual Secretarial Compliance Report

for the year ended 31.03.2021

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

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

- (a) all the documents and records made available to us and explanation provided by M/s. Bhagiradha Chemicals and Industries Limited (CIN: L24219TG1993PLC015963) having its registered office at 8-2-269/S/3/A, Plot No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad, Telangana – 500034, ("the listed entity");
- (b) The filings/ submissions made by the listed entity to the stock exchange(s);
- (c) Website of the listed entity; and
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification/report,

For the year ended 31st March, 2021 ("Review Period") in respect of compliance with the provisions of:

- (a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), Rules made there under and the Regulations, circulars, Guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable during the period under review;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable during the period under review;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – Not applicable during the period under review;

- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable during the period under review;
 - (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 - Not applicable during the period under review;
 - (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
 - (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 regarding the Companies Act and dealing with client
 - and circulars/ guidelines issued there under;
 - and based on the above examination, we hereby report that, during the Review Period:
- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under:
 - (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued there under insofar as it appears from our examination of those records;
 - (c) During the Review Period, no actions has been taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under.
 - (d) There was no observation made in previous report, hence action taken from listed entity was not required.

For **RPR & ASSOCIATES**
Company Secretaries

Y Ravi Prasada Reddy
Proprietor

Place: Hyderabad
Date: 30th April, 2021

FCS No. 5783, C P No. 5360
UDIN: F005783C000224100





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, 2021, have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of initial appointment in Company
1	Sri Satyanarayana Raju Kanumuru	00008177	29/07/2005
2	Sri Sadasivudu Dodda	00017637	07/07/1993
3	Sri Chandra Sekhar Singavarapu	00159543	27/07/2010
4	Sri Sudhakar Kudva	02410695	31/10/2008
5	Smt Lalitha Sree Singavarapu	06957985	11/08/2014
6	Sri G.S.V. Krishna Rao	08199210	13/11/2018
7	Sri Ketan Chamanlal Budh	01740025	14/05/2019
8	Sri Kishor shah	00193288	14/09/2020
9	Dr G. Aruna	08978947	04/12/2020

Ensuring the eligibility 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

Y Ravi Prasada Reddy
Proprietor

FCS No. 5783, C P No. 5360
UDIN: F005783C000224067

Place: Hyderabad
Date: 30th April, 2021





ANNEXURE-V

The Annual Report on CSR Initiatives

1. Brief outline on CSR Policy of the Company

Social and environmental responsibility has always been at the forefront of our company. The Company has been regularly spending for social welfare and philanthropic activities in the communities in which it is operating, even though it did not come under CSR obligation. As per the provisions of the Act, based on the profitability for the year 2018-19, the Company has come under the purview of CSR obligation. Accordingly, The CSR Committee was constituted and the CSR Policy was framed in alignment with the provisions of the Companies Act, 2013. The activities proposed to be undertaken include projects in urban and rural development, welfare activities, women empowerment, eradicating hunger, promoting health care and education in the areas surrounding the factory location. 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	2	2
2	Sri Chandra Sekhar Singavarapu	Member	2	2
3	Smt Lalitha Sree Singavarapu	Member	2	2

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

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

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):

₹ 10.77 crores





7.

Particulars	Amount in Lakhs
Two percent of average net profit of the company as per section 135(5) [A]	21.53
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]	21.53

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

Total Amount Spent for the Financial Year 2020-21 (₹ 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
25.87	Nil	NA	NA	Nil	NA

(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 ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency Name CSR registration number
-	-	-	-	-	-	-	-	-	-	-
Total					NIL					

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

(1)		(2)	(3)	(4)		(5)	(6)	(7)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Lakhs)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration number
1.	Relief to fight against the COVID-19 pandemic	Disaster Management / Promoting healthcare	Yes	Andhra Pradesh	Ongole, Prakasam District	21.58	Yes	NA	NA
2.	Rural Development	Rural Development	Yes	Andhra Pradesh	Ongole, Prakasam District	2.04	No	Through Gram Panchayat	NA
3.	Connect to Andhra-Development of Municipal schools	Promoting education and Health sectors of local felt needs	Yes	Andhra Pradesh	Ongole, Prakasam District	2.00	No	Planning (XII) Department, Government Of Andhra Pradesh	NA
4.	Promoting education and Healthcare	Promoting education and Healthcare	Yes	Telangana	Hyderabad	0.25	Yes	NA	NA
Total						25.87			





- (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)**: ₹ 25.87 Lakhs
- (g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (₹ In Lakhs)
1.	Two percent of average net profit of the company as per section 135(5)	21.53
2.	Total amount spent for the Financial Year	25.87
3.	Excess amount spent for the financial year [(ii)-(i)]	4.34
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Nil							
Total							

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

(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 (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed/ Ongoing
Total					NIL			





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

(asset-wise details).

- a) Date of creation or acquisition of the capital asset(s):
 - b) Amount of CSR spent for creation or acquisition of capital asset:
 - c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:
 - d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):
NA

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

Registered Office

Plot No. 3, Sagar Society, Road No. 2
Banjara Hills, Hyderabad - 500034
CIN: L24219TG1993PLC015963
Ph: +91-040 42221212/ 2323
E-mail: info@bhagirad.com

B Krishna Mohan Rao
Chief Financial Officer

Sudhakar Kudva
Chairman of
CSR Committee
DIN: 02410695

S Chandra Sekhar
Managing Director
(DIN: 00159543)

Date: 4th May, 2021
Place: Hyderabad





ANNEXURE- VI

Information required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 2014.

1. 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 31.03.2021	For the year ended 31.03.2020
I. ENERGY CONSERVATION POWER & FUEL CONSUMPTION		
1. Electricity		
i. purchased units (kwh)	21,107,310	12,407,170
Total amount ₹ (including demand charges)	140,508,364	87,362,921
Unit Rate (₹)	6.66	7.04
ii. Own generation (on diesel)		
a) Diesel consumption (Ltrs)	65,000	44,600
No of units	195,000	133,800
Units/ Liter of Diesel	3.000	3.000
Total amount (₹)	5,266,160	3,146,542
unit cost (₹)	27.00	23.52
b) steam Turbine Generation		
No of units	Nil	Nil
Units/ton of Steam	Nil	Nil
Cost/Unit (₹)	Nil	Nil
2. 'C' Grade coal used in Boiler		
Quantity (MT)	14,350	12,690
Total Cost (₹)	98,477,873	87,985,056
Average Rate/MT	6,863	6,933
3. Furnace oil		
Quantity (Ltrs)	13,500	90,000
Total cost (₹)	447,885	3,253,974
Average Rate/Ltr	33.18	36.16
4. Others /Internal Generation		
Quantity (MT)	Nil	Nil
Total cost (₹)	Nil	Nil
Average Rate/MT	Nil	Nil
II. CONSUMPTION PER UNIT OF PRODUCTION		
Electricity purchased & own Generation (units)	9,578	6,491
Furnace Oil (Ltr)	6.07	46.58
Coal Quality 'C' Grade (MT)	6.45	6.57



**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.

- 1) Specific areas in which R&D is carried out by the company
 - Optimization of existing process technologies
 - Development of process technologies for generic pesticides, herbicides and intermediates
 - Scale up and optimization of process technologies
- 2) Benefits derived as a result of the above efforts:
During Financial Year 2021 - 2022 the company has
 - Continued Optimization of the existing process.
 - Commercialized new herbicide intermediate.
 - Completed laboratory development of process technology for products proposed for exports which are expected to be commercialized in FY 2021-22.
- 3) Future plan of action
 - The company has plans to launch two generic products every year for domestic / export market. The R&D team is actively working on development of process technologies.

4) Expenditure on R&D for the year 2020-21

₹ In Lakhs

Capital	12.84
Recurring	115.59
Total	128.43
R&D expenditure as a percentage of total turnover	0.40

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

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

2) Benefit derived as a result of above efforts

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

3) In case of imported technology (imported during last 5 years), give details of Technology imported, year of import, whether technology fully absorbed.

- No technology has been imported by the company

Foreign exchange earnings and outgo:

₹ In crore

Earnings	74.84
Outgo	55.25

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

Registered Office

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Banjara Hills, Hyderabad - 500034
CIN: L24219TG1993PLC015963
Ph: +91-040 42221212/ 2323
E-mail: info@bhagirad.com

Date: 4th May, 2021

Place: Hyderabad

K S Raju
Chairman
(DIN: 00008177)

S Chandra Sekhar
Managing Director
(DIN: 00159543)





ANNEXURE-VII

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. CIN	: L242191993TGPLC015963
2. Name of the Company	: BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED
3. Address of the Registered office & contact details	: 8-2-269/S/3/A, Plot No:3, Sagar Society, Road No: 2, Banjara Hills, Hyderabad - 500 034, Telangana Ph: 040-42221212. Fax: 040-23540444
4. Website	: www.bhagirad.com
5. Email Id	: info@bhagirad.com
6. Financial year reported	: 31 st March, 2021
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	: 20211-Agro Chemicals Manufacturing
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	: The Company is a leading Agro Chemical Company in India involved in the manufacturing of insecticides, fungicides, herbicides etc. like Azoxystrobin, Triclopyr, Di Chloro Aniline
9. Total Number of locations where business activity is undertaken by the Company	: Only one. Located at Cheruvukommupalem (Village) Ongole, Prakasam Dist, Andhra Pradesh.
10. Markets served by the Company- Local/State/ National/International	: National & International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Disclosures/Requirements	: Information
1. Paid up Capital	: ₹ 8,30,97,000/-
2. Total Turnover	: ₹ 31853.58 lakhs
3. Total Profit after taxes	: ₹ 2346.42 lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax	: The Company's total spending on CSR for the year ended March 31, 2021 was ₹ 25.87 lakhs which is 3.98 % of the profit after tax.
5. List of activities in which expenditure in 4 above has been incurred	: Please refer Annexure V to Directors' Report for CSR related information and also CSR section in the annual report.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies	: Yes, as on March 31, 2021, the Company had one wholly owned subsidiary namely M/s. Bheema Fine Chemicals Private Limited (CIN: U24299TG2020PTC142050)
2. Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company?	: No participation by the said subsidiary in business responsibility initiatives.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	: No





SECTION D: BR INFORMATION

1. Details of Director(s) responsible for BR

Details of Director/Directors responsible for BR		: Details of the BR head	
DIN	: 00159543	Name	: Sri A.Arvind Kumar
Name	: Sri S. Chandra Sekhar	Designation	: Chief Executive Officer
Designation	: Managing Director	Telephone No	: 040-23608083
		e-mail id	: arvind.a@bhagirad.com

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

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

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

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

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





Questions	P1	P2	P3	P4	P5	P6	*P7	P8	P9
6. Indicate the link for the policy to be viewed online?	Following policies are displayed on the Company's website, www.bhagirad.com/investors 1. Code of Conduct and Ethics 2. Corporate Social Responsibility Policy 3. Policy on Human Rights and Employee Well Being								
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8. Does the company have in-house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	NA	Y	Y
9. Does the Company have a grievance redressal mechanism to address stakeholder's grievance related to the policy (ies)?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10. Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Any Independent audit has not been carried out by external agency. However, the policies, if required, are evaluated in-house, from time to time and updated whenever necessary.								

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

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

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

3. Governance related to BR

a. Frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company	Annually (As per the policy)
b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this Report? How frequently it is published?	Yes. The Company will publish BR report annually and the same forms part of annual report, which can be accessed in the Company's website i.e www.bhagirad.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

Policy governing Principle 1: Ethics, Transparency and Accountability Policy

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

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

The Company is committed towards professionalism, fairness and integrity in all its dealings. The Company

has adopted the Code of Conduct as laid down under the Ethics, Transparency and Accountability Policy and strives to promote practices and structures that ensure transparent communication with all its stakeholders and ethical conduct of business at all levels. The Code of Conduct is prescribed for all employees, including directors of the Company.

It has also laid down Vigil Mechanism/Whistle Blower Policy, which sets forth the obligations of every employee for prevention, detection and reporting of any improper and unethical act(s) or practice(s) being conducted in the Company.





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

The Company has in place a mechanism for dealing with complaints received from various stakeholders. The details of shareholders complaints received, resolved and pending during the financial year 2020-21 are furnished in the Corporate Governance Report.

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

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

The Company is committed to efficient use of energy, water, chemicals; & waste reduction in order to accomplish environmental and economic benefits. Among a basket of products which the Company manufactures these three products viz. Azoxystrobin, Fipronil and Triclopyr are trusted fungicide, insecticide and herbicide respectively benefiting the farming community in the domestic as well as international geographies. The Company endeavors & strives to fulfill all applicable compliance requirements related to products, environment, health & safety.

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

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

The Company is committed to environment sustainability. For this, the Company constantly works to adapt new techniques & ideas towards efficient and optimal utilization of resources, energy, water, raw material etc.

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

Primarily the products are supplied on B2B basis. The formulation of the end product used by the consumer is done by the formulators.

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

Yes

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

The Company constantly emphasizes on cost effectiveness while procuring any raw material or inputs. The key raw material(s) are procured from reputed manufacturers to ensure consistency in quality and delivery timelines. Adequate steps are followed by the Company to ensure safety & optimization during transportation which, in a way, contributes towards minimizing the impact on environment.

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

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

Yes, the Company encourages procurement of goods and services from local producers in proximity to the Company's plant wherever feasible. Knowledge sharing, on job training & initiatives like periodic visits of vendors to plants and Plant personnel visits to vendors are taken by the Plant(s) towards skill development of personnel. As far as possible, skilled and unskilled personnel are recruited/engaged from local sources.

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

Yes, the Company has a mechanism to recycle waste water and is a Zero liquid discharge plant. Waste water is processed in RO plants and STPs.

Principle 3: Businesses should promote the wellbeing of all employees (As on March 31, 2021)

- Please indicate the Total number of employees – 385
- Please indicate the Total number of employees hired on temporary/contractual/ casual basis. – 139
- Please indicate the Number of permanent women employees. - 18
- Please indicate the Number of permanent employees with disabilities - Nil





5. Do you have an employee association that is recognized by management? – No
6. What percentage of your permanent employees are members of this recognized employee association?
NA
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. –

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

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

- (a) Permanent Employees – 16%
- (b) Permanent Women Employees – 50%
- (c) Casual/Temporary/Contractual Employees – 20%
- (d) Employees with Disabilities – Nil

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

1. **Has the company mapped its internal and external stakeholders? Yes/No**
Yes, the Company has mapped its stakeholders as part of its stakeholder engagement process.

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

Yes, the Company has identified the communities which are disadvantaged, vulnerable and require focused intervention. Proper mechanism is in place to address the concerns of these stakeholders.

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

The Company has undertaken various CSR activities for the benefit of the communities in which it is operating the details of which are provided in Annexure VIII to the Board's report.

Principle 5: Businesses should respect and promote human rights

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

The Company believes that its employees shall live with social & economic dignity & freedom, and treated equally regardless of nationality, gender, race, economic status or religion. The said human rights practices are followed by the Company in respect of its vendors, contractors and all other stakeholders. The Company's support for the fundamental principles of human rights is reflected in the Company's policies and actions towards its employees, suppliers, clients and communities.

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

No stakeholders' complaint in relation to human rights was received by the Company in the financial year 2020-21.

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

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

Your Company has established Preservation of Environment Policy. Your Company places highest corporate priority in ensuring and adhering to best





practices relating to environment protection striving for performance that does not merely comply with regulations but reduces environmental impacts.

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

The policies of the Company require that the operations shall be conducted in a manner, to ensure (i) safety of employees, local people and all concerned; (ii) compliances of applicable environmental regulations; and (iii) minimum utilization & preservation of natural resources. The Company strives to improve energy efficiency through innovative techniques & ideas and thereby reduce wastage and optimize consumption.

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

Yes, the Company has a mechanism to identify and assess potential environmental risks in its plants and projects. The Company is consistently putting in efforts to improve the environment protection measures further.

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

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

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

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

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

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

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

Nil

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

The Company is not directly engaged in influencing public and regulatory policies.

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

BCIL is a member of the following.

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

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

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

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

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

The Company has a Corporate Social Responsibility (CSR) policy in line with the requirement of the Companies Act, 2013 and rules made there under. The Company has taken various CSR initiatives for support and development of society. The details of the CSR initiatives of the Company are provided in the Annexure VI to the Board's Report.

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

The CSR programmes are undertaken directly by the Company.

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

The Company has not carried out any impact assessment of CSR initiative so far.





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

For the financial year 2020-21, the Company has spent ₹ 25.87 lakhs for the CSR activities. The details of the CSR activities and the amount contributed thereon are provided in Annual Report on CSR activities forming part of the Board's Report (Annexure V).

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

Yes. The Company has contributed in a timely manner for the benefit of the communities in fighting COVID-19.

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

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

As on 31st March, 2021, there were no customer complaints/consumer cases, which were pending.

2. Does the company display product information on the product label, over and above what is mandated

as per local laws? Yes/No/N.A. /Remarks (additional information)

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

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

As of 31st March, 2021 there were no pending cases, filed by any stakeholder, against the Company, pertaining to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

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

The Company believes that stakeholder engagement is an integral part of the business and constantly strives to reach out and seek feedback at every stage in a structured manner from its key stakeholders including distributors, vendors, employees, investors, industry associations etc.

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

Registered Office

Plot No. 3, Sagar Society, Road No. 2
Banjara Hills, Hyderabad - 500034
CIN: L24219TG1993PLC015963
Ph: +91-040 42221212/ 2323
E-mail: info@bhagirad.com

Date: 4th May, 2021
Place: Hyderabad

K S Raju
Chairman
(DIN: 00008177)

S Chandra Sekhar
Managing Director
(DIN: 00159543)





ANNEXURE-VIII

Corporate Governance Report

The Board of Directors of the Company has pleasure in presenting the Company's Report on Corporate Governance for the Financial Year 2020-21, pursuant to Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulation').

1. Company's philosophy on code of governance:

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company has over the years followed best practices of Corporate Governance. Your Company is committed to the Company's Code of Conduct which articulates values and ideals that guide and govern the conduct of the company as well as its employees in all matters relating to business. The Company's overall governance framework, systems and processes reflect and support our Mission, Vision and Values.

Your Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company's corporate governance philosophy has been further strengthened through the BCIL Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code").

Your Company has a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and enhancing stakeholders' value. In this pursuit, the Company's Corporate Governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders.

Your Company continues to strengthen its governance principles to generate long-term value for its various

stakeholders on a sustainable basis thus ensuring ethical and responsible leadership both at the Board and at the Management levels.

Your Company's Corporate Governance Framework ensures making timely disclosures and disclosing accurate information regarding the financial performance of the Company.

Your Company has adopted a Code of Conduct for its employees including the Managing Director, CEO, and other Executive and Non-Executive Directors including Independent Directors, which also suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ('the Act'). The Company has also adopted the Guidelines on Board Effectiveness to fulfill its responsibilities towards its stakeholders.

Your Company has adhered to the requirements stipulated under Regulations 17 to 27 read with para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as applicable [including notifications and/or circulars by Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) in the wake of COVID-19], with regard to Corporate Governance and the same has been disclosed in this Report. The Company endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organisation.

Transparency and accountability are the two basic requirements of Corporate Governance. Responsible Corporate conduct is integral to the way the Company does the business. The actions are governed by the values and principles which are reinforced at all levels in your Company. The code of business is reflected in the continued commitments to ethical business practices across all the dealings.

Your Company firmly believes that Board independence is essential to bring objectivity and transparency in the management and in the dealings of your Company. As on March 31, 2021, the Board consists of nine





members out of which one (1) is Non-Executive Chairman, two (2) are Executive/ Whole-time Directors, four (4) are Non-Executive Independent Directors including one (1) Non- Executive Independent Woman Director and two (2) are Non-Executive Directors.

Ethics/Governance Policies:

Your company has adopted a set of policies and Codes and ensures that the business of your company is carried out in line with its core value systems. Your Company strives to conduct the business and strengthen the relationship in a manner that is dignified, distinctive and responsible. Your Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with stakeholders. Your Company has adopted various codes and policies to carry out business in an ethical manner. Some of these codes and policies are:

- Code of Conduct & Ethics for Board & Senior Management
- Code of Conduct for Fair Disclosure of Unpublished Price Sensitive Information
- Code of Conduct to Regulate, Monitor & Report Trading by Insiders
- Policy on Related Party Transactions
- Corporate Social Responsibility Policy
- Sustainability Policy
- Nomination & Remuneration Policy
- Board Evaluation Framework
- Familiarisation Programme for Independent Directors
- Policy on Preservation of Documents
- Whistle Blower Policy
- Policy on Determination of Materiality of Events
- Business Responsibility Policy

Appropriate Governance Structure with defined roles and responsibilities:

Your Company has put in place an internal management structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has constituted four Committees to discharge its responsibilities in

an effective manner. The Company Secretary acts as the Secretary to all the Committees of the Board constituted under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 as amended from time to time.

Board Leadership:

An enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. Your Company has defined guidelines and an established framework for the meetings of the Board and its Committees. These guidelines seek to methodize the decision making process at the meeting of the Board and its Committees in an informed and efficient manner.

The Board critically evaluates your Company's strategic direction, management policies and their effectiveness. The agenda for the Board reviews include strategic review from each of the Board committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. Additionally, the Board reviews related party transactions if any, possible risks and risk mitigation measures and the financial reports. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the Company's future growth.

As the COVID-19 pandemic continues to disrupt every aspect of Business resulting in strained supply chains, liquidity concerns, financial strains, absent employees, a move to remote working: the list of operating challenges seems endless. Your Company has taken a proactive role in ensuring that the Company's operations are carried out efficiently during the pandemic.

2. Board of Directors:

Composition and category of Directors

The Board of your company bears the ultimate responsibility for the organization and administration of your company. It is vital to have a well-balanced Board with a combination of Executive, Non-Executive, Independent and Woman Directors on the Board of the Company to ensure Board's independence and effective management. As on 31st March, 2021,





the Company has nine Directors. Out of the nine Directors seven (i.e. 78%) are Non-Executive Directors out of which 4 (i.e. 35%) are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. The Board periodically evaluates the need for change in its composition and size.

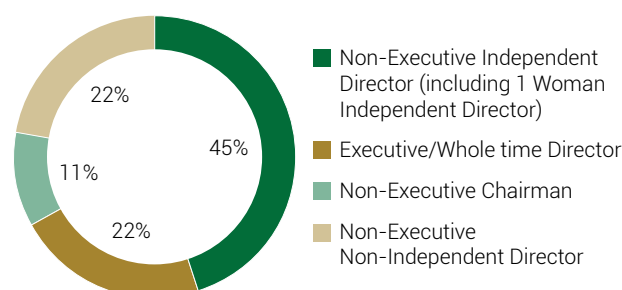
None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2021 have been made by the Directors. None of the Directors are related to each other except Smt S. Lalitha Sree and Sri S. Chandra Sekhar.

Independent Directors are non-executive directors as defined under Regulation 16(1) (b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed there under. In terms of Regulation 25(8) of SEBI Listing Regulations, declarations were received from the Independent Directors and the Board of Directors has confirmed

that all the independent Directors meet the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations and that they are independent of the management.

The Company has an active, experienced, diverse and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Nomination and Remuneration Committee of the Board ensures the right composition of the Board. As on March 31, 2021, the composition of the Board of Directors was as under:

Board Composition as on March 31, 2021



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

Name of Director	Category	Attendance at Board Meetings		Whether present at the previous AGM
		Held	Attended	
Sri K.S. Raju	Chairman Non-Independent Non-Executive	4	4	Y
Sri S. Chandra Sekhar	Promoter, Managing Director	4	4	Y
Sri Ketan Chamanlal Budh	Whole time Director	4	3	Y
Sri Sudhakar Kudva	Independent Non-Executive	4	4	Y
Sri D. Sadasivudu	Non-Executive - Non Independent Director	4	4	Y
Smt S. Lalitha Sree	Non-Executive - Non Independent Director	4	4	Y
Sri G.S.V. Krishna Rao	Independent Non-Executive	4	4	Y
Sri Kishor Shah#	Non-Executive - Independent Director	4	2	NA
Dr G Aruna#	Non-Executive - Independent Director	4	1	NA
Smt A. Lakshmi Sowjanya*	Non-Executive - Independent Director	4	1	Y

* Smt A. Lakshmi Sowjanya Resigned from the Board w.e.f. September 09, 2020

#Sri Kishor Shah and Dr G Aruna has appointed as Non-Executive - Independent Director of Company w.e.f. September, 14, 2020 and December 04, 2020 respectively.




Name and number of other board of directors or committees in which a director is a member or chairperson, and :

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 31-03-2021	Category of Directorship
		Chairman	Member		
Sri K.S. Raju	2	-	1	Nagarjuna Oil Refinery Ltd	Non-Executive, Non-Independent
Sri S. Chandra Sekhar	1	-	1	-	-
Sri Ketan Chamanlal Budh	1	-	-	-	-
Sri Sudhakar Kudva	2	2	2	NACL Industries Ltd	Non-Executive, Independent
Sri D. Sadasivudu	1	-	1	-	-
Smt S. Lalitha Sree	1	-	-	-	-
Sri G.S.V. Krishna Rao	1	1	1	-	-
Sri Kishor Shah	1	-	1	GKW Limited	Non-Executive Independent
Dr G Aruna	1	-	-	-	-

Note:

- The directorships held by directors as mentioned above, does 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.

Number of shares held by the directors as on 31st March, 2021:

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

Roles, Responsibilities and Duties of the Board:

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 read with the rules and Schedule IV of the said Act. The Board has complete access to all the information within the Company. As a part of its function, the Board periodically reviews all the relevant information, which is required to be placed before it, pursuant to the SEBI Listing Regulations, and, in particular, reviews and approves financial statements, business plans, projects, strategies, annual budgets, projects and capital expenditure. The Board discharges all its responsibilities, functions, duties and obligations in timely and effective manner in accordance with applicable laws, keeping close watch on the business operations of the Company.

Board Meetings

During the year, the Board met four times on 23rd June, 2020, 20th August, 2020, 5th November, 2020 and 28th January, 2021. In the wake of COVID-19 pandemic and to adhere to the lockdown and social distancing norms, the directors participated in the meetings of the Board and Committees held after March 2020, through video conferencing/ other audio visual means. The meetings and agenda items taken up during the meetings complied with the Companies Act, 2013 and Listing Regulations read with various circulars issued by Ministry of Corporate Affairs (MCA) and Securities Exchange Board of India ("SEBI") due to COVID-19 pandemic.

The maximum gap between any two Board Meetings was less than one hundred and twenty days. The 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.

During the year, a separate meeting of the Independent Directors was held on 28th January, 2021, without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting by participating through video conferencing/other audio visual means.

The Company has proper systems to enable the Board to review on a half yearly basis compliance reports of all laws applicable to the Company, as prepared by the Company as well as to assess the steps taken by the Company to rectify instances of non-compliances, if any.

Agenda and relevant information to Directors:

The agenda for each Board/ Committee meeting is circulated well in advance to the Directors. All material information is incorporated in the agenda facilitating meaningful and focused discussions in the meeting. Every Board/ Committee Member is free to suggest

items for inclusion in the agenda. The agendas and other relevant documents/ information to Board/ Committee members are provided in secured electronic mode.

Matters of the Meetings -:

All divisions / departments of the Company are advised to schedule their work plans in advance, particularly with regard to matters requiring discussion/ approval/ decision of the Board meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board/ Committee meetings.

Presentations by management:

The Chief Executive Officer, Chief Financial Officer and the Company Secretary update the Board on their related matters through presentations / Board notes. Such presentations and Board notes cover finance, sales, major business segments and operations of the Company, including business opportunities, business strategy and risk management practices, internal audit observations, regulatory changes and their probable impact on the operations of the Company.

Attendance at the Board Meetings held during the year

Name of Director	Category	Meetings held on				No of Meetings Attended
		June 23, 2020	August 20, 2020	November 5, 2020	January 28, 2021	
Sri K.S. Raju	Non-Executive Chairman	Y	Y	Y	Y	4
Sri S. Chandra Sekhar	Managing Director	Y	Y	Y	Y	4
Sri Ketan Chamanlal Budh	Whole time Director	Y	Y	Y	N	3
Sri Sudhakar Kudva	Non-Executive Independent Director	Y	Y	Y	Y	4
Sri D. Sadasivudu	Non-Executive Director	Y	Y	Y	Y	4
Smt S. Lalitha Sree	Non-Executive Director	Y	Y	Y	Y	4
Sri G.S.V. Krishna Rao	Non-Executive Independent Director	Y	Y	Y	Y	4
Sri Kishor Shah [#]	Non-Executive Independent Director	N.A	N.A	Y	Y	2
Dr G Aruna [^]	Non-Executive Independent Woman Director	N.A	N.A	N.A	Y	1
Smt A. Lakshmi Sowjanya [*]	Non-Executive Independent Woman Director	N	Y	N.A	N.A	1

[#]Sri Kishor Shah was appointed in the Board w.e.f. September 14, 2020.

[^]Dr G Aruna was appointed in the Board w.e.f. December 4, 2020

^{*} Smt A. Lakshmi Sowjanya, Non-Executive Independent Director of the Company resigned from the Board w.e.f. September 9, 2020.





Independent Directors

The Company currently has 4 Non-Executive Independent Directors comprising 44.4% of the total strength of the Board of Directors. Smt A. Lakshmi Sowjanya, Non-Executive Independent Director of the Company resigned from the Board w.e.f. September 9, 2020, for personal reasons. During the year, the Board of Directors based on the recommendations made by the Nomination & Remuneration committee, appointed Sri Kishor Shah and Dr G Aruna as Additional Directors (under the category Non-Executive Independent) with effect from September 14, 2020, and December 4, 2020, respectively, subject to approval of the shareholders in this Annual General Meeting.

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.

Independence of Directors

The Company has received declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1) (b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in the Act and the Listing Regulations and are independent of the management.

Further, the Independent Directors of the Company have taken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Meetings of Independent Directors:

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 under review, one meeting of the Independent Directors of the Company was held on January 28, 2021, as required under Schedule IV of the Act (Code of Independent Directors) and Regulation 25(3) of the Listing Regulations. At their Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, and also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that are necessary for the Board to effectively and reasonably perform their duties. The Meeting was attended by all the Independent Directors as on that date and Sri Sudhakar Kudva chaired the said Meeting.

Terms and Conditions of appointment of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations. Formal letters of appointment are issued to the Independent Directors after their appointment by the Members. As required by Regulation 46 of the Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at www.bhagirad.com.





Familiarisation programmes for Board Members

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, strategies, business, functions, policies, industry and environment in which it functions and the regulatory environment applicable to it and operations of its subsidiaries. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuous basis.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company imparted various familiarisation programmes to its Directors including review of long-term strategy, industry outlook, regulatory updates at the Board and Audit Committee Meetings, Corporate Social Responsibility and Litigation updates. The Directors are also kept continuously updated by regularly sharing various useful articles relating to the Company's performance and operations.

During the year, as part of the induction programme, Dr. G Aruna, Independent Director visited the Company's plant at Ongole and met the leadership teams there. The Director spent entire day at the respective plant to get a deeper insight on the Company's operations. Pursuant to Regulation 46 of the Listing Regulations, the details of such familiarisation programme during the year FY 2020-21 are available on the website of the Company at www.bhagirad.com

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 & 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 within the industry and develop appropriate policies to define the parameters within which the organisation should operate and knowledge including legal and regulatory aspects.
- v. **Operational Skill/ Strategy planning, Mergers and Acquisitions:** Experience in operating and managing business. Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's relevant policies and priorities. Leading growth through acquisitions and other business combinations, with the ability to assess 'build or buy' decisions, analyze the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plan.
- vi. **Leadership:** Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management.





Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth. Oversee strategic human resource management including workforce planning, employee and industrial relations and oversee large scale organisational change.

vii. Information Technology: A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate 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:



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 Satyanarayana Raju Kanumuru	✓		✓			✓		
Sri Sadasivudu Dodda					✓			✓
Sri Chandra Sekhar Singavarapu	✓	✓	✓		✓	✓	✓	✓
Sri Sudhakar Kudva	✓	✓	✓			✓		
Smt Lalitha Sree Singavarapu					✓	✓		
Sri G.S.V. Krishna Rao	✓	✓				✓		
Sri Ketan Chamanlal Budh		✓	✓		✓		✓	✓
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.

Policy for Prevention of Insider Trading

The Company has adopted a Policy for Prohibition of Insider Trading ('Policy/Code') for Regulating, Monitoring and Reporting of Trades by Designated

Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations). The Policy is applicable to Promoters, Member of Promoter's Group, all Directors, designated persons and third parties such as auditors, consultants etc. who are expected to have access to unpublished price sensitive information relating to the Company. The trading window is closed from the first day of the every quarter and will open after 48 hours of the declaration of financial results and occurrence of any material events as per the code.





Appointment/Re-appointment of Directors

As required under Regulation 26(4) and Regulation 36(3) of the Listing Regulations and Secretarial Standards - 2 on General Meetings issued by Institute of Company Secretaries of India, particulars of Directors seeking appointment/ re-appointment at this AGM are given in the Notice of the AGM which forms part of this Annual Report.

Code of Conduct

The Company has adopted the policy of Code of Conduct for its Whole-time Directors, Senior Management Personnel and other Executives which is available on the website of the Company at www.bhagirad.com. The Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV of the Act ('Code for Independent Directors') and Regulation 17(5) of the Listing Regulations and the same is available on the website of the Company at www.bhagirad.com.

As on March 31, 2021, all the Board Members and Senior Management of the Company have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the Managing Director & CEO forms part of this Report. Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

3. Committees of the Board

There are four statutory Board Committees as on 31st March, 2021 and the quorum for committee meetings is as per the Companies Act and SEBI Listing Regulation.

- A. Audit Committee
- B. Nomination & Remuneration Committee
- C. Stakeholders Relationship Committee
- D. Corporate Social Responsibility Committee

The quorum for committee meetings is either two members or one-third of the members of the committee, whichever is higher with at least one Independent Director. The Company Secretary of the company is acting as the Secretary in each Committee.

A. Audit Committee

The Audit Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013 as amended from time to time. The Audit Committee meetings were held four times during the financial year 2020-21 i.e. on 23rd June, 2020, 20th August, 2020, 5th November, 2020 and 28th January 2021.

The Audit Committee's role is to assist the Board fulfill its Corporate Governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions. The Audit Committee functions according to its Charter/Terms of Reference that defines its composition, authority, responsibilities and reporting functions. The Board has adopted a Charter of the Audit Committee for its functioning. All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the Listing Regulations are covered in its terms of reference.

Terms of reference

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

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





- Recommend to the Board, the appointment, re-appointment, removal of the external auditors, fixation of audit fees and also approval for payment of audit and non-audit services;
- Scrutinise inter-corporate loans and investments, and review the utilisation of loans and/or advances 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 Company's Code of Conduct for Prevention of Insider Trading. Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, atleast once in a financial year and verifying that the systems for Internal Controls are adequate and are operating effectively;
- Review the significant related party transactions;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

Composition/Meetings of the Committee as on March 31, 2021:

Name	Category	No. of Meetings		
		Designation	Held	Attend
Sri Sudhakar Kudva	Non-Executive Independent Director	Chairman	4	4
Sri S. Chandra Sekhar	Executive Director	Member	4	4
Sri G.S.V Krishna Rao	Non-Executive Independent Director	Member	4	4
Sri Kishor Shah*	Non-Executive Independent Director	Member	4	2

* Sri Kishor Shah was appointed as a Member of the Audit Committee on November 5, 2020

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 36 years of experience in various senior positions in India and abroad. The industry spectrum of his experience includes International Trading and Contracting, Financial Services, Manufacturing of alloy and carbon steel, seamless tubes, Mining, Port operations and Logistics. All Members of the Audit Committee are financially literate.

Sri B Krishnamohan Rao, Chief Financial Officer of the Company is the permanent invitee and Statutory

Auditor and Internal Auditors are also invited to the Audit Committee Meeting and Smt Saheli Banerjee, Company Secretary, acts as the Secretary to the Committee.

The composition of the Committee is in conformity with Section 177 of the Act and Regulation 18(1) of the Listing Regulations. The Chairperson of the Audit Committee has one on one meetings both with the Internal Auditor and the Statutory Auditors to discuss key concerns on periodic basis. The Managing Director, CEO, Executive Director, Chief Financial Officer,





Statutory Auditor and Risk & Internal Auditor attend and participate in all the Meetings of the Committee. The Committee, from time to time, also invites such of the executives, as it considers appropriate, to be present at the Meetings.

B. Nomination And Remuneration Committee

The Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act. The Nomination & Remuneration Committee meetings were held twice during the financial year 2020-21 i.e. on June 23, 2020 and November 5, 2020.

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on the expected performance criteria. NRC also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company.

Terms of reference

The Board has adopted a charter of the NRC for its smooth functioning covering aspects relating to composition, responsibilities, evaluation process, remuneration, Board development and also for reviewing strategies. The key terms of reference of the NRC, inter alia, are as follows:

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

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

Composition/Meetings of the Committee as on March 31, 2021: The composition and terms of reference of the NRC are in compliance with the provisions of Section 178(1) of the Act and Regulation 19 of the Listing Regulations.





Name	Category	No. of Meetings		
		Designation	Held	Attend
Sri Sudhakar Kudva	Non-Executive Independent Director	Chairman	2	2
Sri K.S.Raju	Non-Executive Director	Member	2	2
Sri G.S.V Krishna Rao	Non-Executive Independent Director	Member	2	2

Sri Sudhakar Kudva, Chairperson of the NRC, was present at the last AGM held on September 4, 2020. Sri B Krishna Mohan Rao, Chief Financial Officer of the Company is the invitee to the Nomination & Remuneration Committee Meeting and Smt Saheli Banerjee, Company Secretary acts as the Secretary to the Committee.

Nomination/Remuneration Policy:

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

Board and Director Evaluation:

One of the key functions of the Committee is to monitor and review the board evaluation framework.

The NRC has defined the evaluation criteria, procedure and time schedule for the performance evaluation process of the Board, its Committees and Directors. The criteria for Board Evaluation was based on the Guidance Note issued by SEBI which, inter alia, included questions on the following:

Board Evaluation	Evaluation of Individual Directors	Committee Evaluation
- Board Structure - qualifications, experience and competencies - Board Diversity - Meetings – regularity, frequency, agenda, discussion and recording of minutes	- Professional qualifications and experience - Knowledge, skills and competencies - Fulfillment of functions, ability to function as a team	- Mandate and composition - Effectiveness of the Committee - Structure of the Committee Meetings – regularity, frequency, agenda, discussion and dissent, recording of minutes

Your Board is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may need to improve its functioning.

In terms of the requirement of the Act and the Listing Regulations, during the year under review, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The exercise was led by the Chairperson of the NRC along with the Chairperson elected for each Meeting of the Board.

Criteria for Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, its committees and Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by the Listing Regulations. The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by SEBI.





Board Evaluation	Evaluation of Individual Directors	Committee Evaluation
- Functions – strategy, governance, compliances, evaluation of risks, stakeholder value and responsibility, conflict of interest, and monitoring action plans - Independence of management from the Board, access of Board and management to each other Succession plan and professional development	- Attendance - Commitment, contribution, integrity and independence In addition to the above, the Chairperson of the Board Meetings is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer Meetings, impartiality and ability to keep shareholders' interests in mind.	Independence of the Committee from the Board and contribution to decisions of the Board

The Company has followed the practice of implementing each of the observations from the annual evaluation by calendarising its implementation through the Action Taken Report which is reviewed by the Board of Directors from time to time.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report.

Remuneration to 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.

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 held by him/her.

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.

The Details of remuneration paid/payable for the year ended March 31, 2021 is as follows:

(in ₹)

Name	Sitting Fees	Remuneration	Perquisites	Commission	Total
Independent Directors					
Sri Sudhakar Kudva	2,00,000	-	-	-	2,00,000
Sri G S V Krishna Rao	1,80,000	-	-	-	1,80,000
Smt A Lakshmi Sowjanya	25,000	-	-	-	25,000
Sri Kishor Shah	70,000	-	-	-	70,000
Dr G Aruna	35,000	-	-	-	35,000
Non-Executive Directors					
Sri K S Raju	1,20,000	-	-	-	1,20,000
Smt S Lalitha Sree	1,20,000	-	-	-	1,20,000
Sri D Sadasivudu	1,10,000	-	-	-	1,10,000
Executive Directors					
Sri S Chandra Sekhar	Nil	80,00,000	5,76,000	42,50,000	1,28,26,000
Sri Ketan Chamanlal Budh	Nil	27,50,000	1,98,000	-	29,48,000




Service Contract, Severance Fees and Notice Period

Terms of Agreement	Sri S Chandra Sekhar Managing Director	Sri Ketan Chamanlal Budh Whole-time Director
Period of Contract	5 years upto May 31, 2025	3 years upto May 13, 2022
Severance fees/notice period	The Contract 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.	

Succession Plan

The Company believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company and strives to maintain an appropriate balance of skills and experience, within the organization and the Board, in an endeavor to introduce new perspectives, whilst maintaining experience and continuity. The Nomination and Remuneration Committee works along with the Management team of the Company for a structured leadership succession plan.

Retirement Policy for Directors

As per the Company's policy, the Managing and Executive Directors retire at the age of 65 years, Non-Independent Non-Executive Directors retire at the age of 70 years and the retirement age for Independent Directors is 75 years.

C. Stakeholders Relationship Committee

The Stakeholders Relationship Committee ('SRC') Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act. The Stakeholders Relationship Committee meeting was held once during the financial year 2020-21 on January 28, 2021. The SRC looks into various aspects of interest of shareholders.

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/Meetings of the Committee as on March 31, 2021:

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





The Company Secretary acts as the Secretary to the Committee.

The Company has always valued its customer relationships. This philosophy has been extended to investor relationship, focusing on servicing the needs of various stake-holders viz. investors, analysts, brokers and the general public.

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

Details of Investor complaints and Compliance Officer are provided herein below.

Stakeholders Relationship Committee - other details:

Name of non-executive director heading the committee	Sri G.S.V Krishna Rao
Name, designation and address of Compliance Officer:	Saheli Banerjee Company Secretary Bhagiradha Chemicals & Industries Limited Plot No.3, Sagar Society Road No.2, Banjara Hills Hyderabad-500034. Ph: 040 42221212 / 2323 E-mail: info@bhagirad.com
Details of the Complaints /request during Financial Year 2020-21 as follows:	i. Number of shareholder complaints/request received: Nil ii. Number of complaints solved to the satisfaction to the shareholders: Nil iii. Number of pending complaints: NIL

D. Corporate Social Responsibility Committee (CSR)

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 meetings were held twice during the financial year 2020-21 i.e. on June 23, 2020 and on August 20, 2020.

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

Terms of reference

The terms of reference of the CSR Committee 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 Group is in compliance with appropriate laws and legislations;

- To provide guidance to management to evaluate long term strategic proposals (including technologies adopted) with respect to CSR implications;
- To review periodic reports on performance of corporate social responsibility.





• **Composition/Meetings of the Committee as on March 31, 2021:**

Name	Category	No. of Meetings		
		Designation	Held	Attend
Sri Sudhakar Kudva	Non-Executive Independent Director	Chairman	2	2
Sri S. Chandra Sekhar	Executive Director	Member	2	2
Smt S. Lalitha Sree	Non-Executive Independent Director	Member	2	2

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

4. **Subsidiary Companies**

During the year under review, your Company has incorporated a wholly owned Subsidiary Company, namely Bheema Fine Chemicals Private Limited (CIN: U24299TG2020PTC142050), on July 22, 2020, with its registered office at Plot no- 3, Sagar Society, Road No 2, Banjara Hills, Hyderabad, with an object to carry on the business of manufacturing and marketing of various agrochemicals and intermediates.

The subsidiary of the Company functions independently, with an adequately empowered Board of Directors. The minutes of Board Meetings of subsidiaries are placed before the Board of the Company for its review on a regular basis.

5. **General Body Meetings**

Annual General Meetings (AGM)

During financial year ended March 31, 2021, the Company's Annual General Meeting was held through VC/OAVM pursuant to the Ministry of Corporate Affairs ("MCA") circular No. 20/2020 dated May 5, 2020 read together with circulars No. 14/2020 dated April 8, 2020 and No. 17/2020 dated April 13, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 and the deemed venue was the Registered Office of the Company.

Financial Year	Date	Time	Venue	Special Resolutions passed during last 3 FYs
2017-2018	14.08.2018	11.00 AM	Hotel Green Park, Ameerpet, Hyderabad	Nil
2018-2019	09.08.2019			• Re-appointment of Sri. Sudhakar Kudva as an Independent Non-Executive Director • Appointment of Sri Ketan Chamanlal Budh as whole time Director • Revision of Remuneration and other terms & conditions of the appointment of Sri S. Chandra Sekhar, Managing Director of the Company
2019-2020	04.09.2020		Registered Office of the Company through VC/ OAVM	• Reappointment of and revision in remuneration payable to Sri S. Chandra Sekhar (DIN: 00159543) as Managing Director • Continuation of Directorship of Sri D. Sadasivudu • Borrowing Powers of the Company and Creation of Charge / Providing Of Security up to ₹150 Cr

There was no Extra Ordinary General Meeting and postal ballot during the year.





6. Means of Communication:

Stock Exchange Intimations

All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. All submissions to the Exchanges are made through the respective electronic filing systems. Material events or information as detailed in Regulation 30 of the Listing Regulations are disseminated to the Stock Exchange by filing them with the BSE Limited ('BSE') through BSE Online Portal. They are also displayed on the Company's website at www.bhagirad.com

Financial Results

The quarterly/half-yearly/annual financial results are displayed under 'Investors' section of the Company's website viz. www.bhagirad.com. They are also filed with the BSE through BSE 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.

News Paper where results normally published

The quarterly/annual Financial results are published in English newspaper namely i.e. Financial express all editions and vernacular language newspaper namely i.e. Nava Telangana (Telugu), Hyderabad edition

Letters and Reminders to Shareholders for Unclaimed Shares/Dividends:

In addition to the statutory requirement, a voluntary reminder for unclaimed shares/dividends is also sent to the shareholders as per records.

Live Webcast of AGM

Due to COVID-19 norms, for AGM held on September 4, 2020, the Company provided live Webcast facility of the proceedings of the AGM which was extensively viewed by the Members.

Company's Website

The Company's website is in line with the requirements laid down under Regulation 46 of

the Listing Regulations. It is a comprehensive reference of Company's management, vision, mission, policies, corporate governance, corporate sustainability, disclosures to investors, updates and news. The section on '**Investors**' serves to inform the Members by giving complete financial details, annual reports, shareholding patterns, presentation made to institutional investors and analysts, corporate benefits, information relating to stock exchange intimations, Company policies, Registrar and Transfer Agent ('RTA'), etc. The section on '**Media**' includes all major press releases, awards and campaigns. The Company has also uploaded the details of the unclaimed dividends by the Members on its website at www.bhagirad.com. The Members can log in and find out whether their dividends for any of the years is outstanding.

Presentations to shareholders/ Members

Annual Report: The Annual Report containing inter-alia Notice of the 28th 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 shareholders' addresses as per records.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre') (Scrip Code: 531719): BSE's Listing Centre is a web-based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

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.





7. General shareholder information

Day, Date, time and venue of the Annual General Meeting	August 10, 2021 through video conference/ other audio visual means at the registered office of the Company
Financial year	April 01 to March 31
Listing of shares on stock exchanges	BSE Limited (BSE) Listing Fees as applicable has been paid
Book Closure	August 3, 2021 to August 10, 2021 (Both days inclusive)
Scrip Code	531719
Corporate Identification Number(CIN)	L24219TG1993PLC015963
International Securities Identification Number (ISIN) for equity shares of ₹ 10/- each under Depository System	INE414D01019
Market Price Data High, Low during each month in last Financial year	Please refer Annexure A
Performance of the Company's share price vis-à vis-Sensex	Please refer Annexure A
Registrar and Share Transfer Agents (RTA)	For shares related matters, the shareholders are requested to correspond with the RTA of the Company quoting their Folio Number or Client ID and DP ID at the following address: XL Softech Systems Limited 8-2-269/S/3/A, Plot No. 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500 034 Phone: 91-40-23545913/5 Fax : 91-40-23553214 E-mail : xlfield@rediffmail.com
Share Transfer System	All the valid transfers received are processed and approved by the Share Transfer Agent
Distribution of Shareholding and Shareholding Pattern as on March 31, 2021	Please refer Annexure B
Dematerialization of Shares	99.91% of the equity shares of the Company were dematerialized as on 31 st March, 2021
Outstanding GDRs/ADRs/Warrants or any convertible instruments.	Nil
Plant Location	Cheruvukommu Palem (Village) Ongole (Mandal) Prakasam (District) Andhra Pradesh-523272
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





Other Disclosures

- **Disclosure of related party transactions:**

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 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 note 46 of notes forming part of the financial statements. The policy lays down the criteria for determining the materiality of transactions. The said policy has been posted on the Company's website at the following link <https://www.bhagirad.com/reports/policy/RelatedPartyTransactionsPolicy.pdf>

- **Compliance(s) of matters relating to Capital Market:**

The Company has complied with all applicable rules and regulations prescribed by stock exchange (BSE), Securities and Exchange Board of India (SEBI) or any other statutory authority relating to the capital markets.

- **Statutory Compliance, Penalties and Strictures**

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities on all matters related to capital markets. During the year under review, no penalties or strictures have been imposed on the Company by these authorities. The Company's listed securities were never suspended from trading.

- **Whistle Blower Policy/Vigil Mechanism:**

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. No personnel of the Company have been denied access to the Audit Committee. The Whistleblower Policy and Vigil Mechanism ensures that strict confidentiality is maintained in such cases and no unfair treatment is meted out to a Whistleblower.

The Company, as a Policy, condemns any kind of discrimination, harassment, victimisation or any other unfair employment practice being adopted against Whistleblowers. The policy also lays down the process to be followed for dealing with complaints. The said policy has been posted on the Company's website at the following link <https://www.bhagirad.com/reports/policy/WhistleBlowerPolicy.pdf>

Details of utilization of funds raised through preferential allotment or qualified institutional placement

The Company has not made any preferential allotment or qualified institutions placement during the year under review.

- **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.

- **Details of compliance with mandatory requirements and adoption of Discretionary 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 English newspaper, viz. Financial Express and vernacular–Nava Telangana. The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.
b	Modified opinion(s) in Annual Report	The financial statements for the financial year ended 31 st March, 2021 were with unmodified audit opinion
c	Separate post of Chairman	The Company has a separate post of Chairman
d	Other Non-Mandatory Requirements:	The Company would be progressively adopting the other non-mandatory requirements

- **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 are as follows:**

Regulation	Particulars of Regulation	Compliance Status (Yes/No/NA)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance Requirements with respect to subsidiaries of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management Personnel	Yes
27	Other Corporate Governance Requirements	Yes
46 (2)(b) to (i)	Disclosures on website	Yes

- **Non-Mandatory Requirements**

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is as under:

- During the year under review, there was no audit qualification in the Company's Financial Statements. The Company continues to adopt best practices.
- The Company follows a robust process of communicating with the Shareholders which has been elaborated in the Report under the heading 'Means of Communication'.

- **Disclosure of Accounting Treatment**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013.

- **Risk Management**

During the year, there were no major elements of risk which have the potential to harm the interests of the Company.

- **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 complaint was pending as at the end of the financial year. The Company periodically conducts awareness programmes for its employees.

The following are the summary of sexual harassment complaints received and disposed off during the year:

Sl. No.	Particulars	Status of the No. of complaints received and disposed off
1	Number of complaints on sexual harassment received	Nil
2	Number of complaints disposed off during the year	Nil
3	Number of cases pending for more than ninety days	Not Applicable
4	Number of workshops or awareness programmes against sexual harassment carried out	The Company conducts necessary awareness programmes for its employees
5	Nature of action taken by the employer or district officer	Not Applicable

Credit Rating

CARE Rating has revised the credit rating to BBB-; Outlook: Negative; for long term and CARE A3 for short term borrowings of the Company from banks.

Confirmation by the Board of Directors regarding acceptance of recommendations of all Committees:

In terms of the amendments made to the Listing Regulations, the Board of Directors confirms that during the year, it has accepted all recommendations received from all its Committees.

PCS Certificate

A certificate has been received from RPR & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Statutory Auditor Remuneration

S. Singhvi & Co., Chartered Accountants (Firm Registration No. 003872S) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis are given below:

Particulars	Amount In ₹
Statutory Audit fee	8,00,000
Tax Audit	-
GST Audit	-
Total	8,00,000

Notice for shareholders/investors for unpaid dividends

Members who have not yet encashed their final dividend from the financial year 2013-14 onwards are requested to make their claims without any delay to M/s. XL Softech Systems Limited Registrar and Share Transfer Agents (RTA) of the Company for claiming the unclaimed/unpaid dividends.

Following table gives information relating to due dates for transfer of unclaimed/unpaid dividends to IEPF:

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2021 (in ₹)	Due Date for transfer to IEPF
2013-14	11-08-2014	81,386	15-09-2021
2014-15	08-08-2015	98,820	12-09-2022
2018-19	09-08-2019	62,246	13-09-2026





All shareholders, whose dividend remains unpaid/ unclaimed, are requested to verify the same on the Company's website and lodge their claim to RTA by submitting an application in writing supported by a deed of indemnity immediately.

- **MD and CFO Certification**

The Managing Director and the Chief Financial Officer of the Company have 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 the Managing Director and the Chief Financial Officer forms part of the Annual Report.

- **Compliance Certificate from the Auditors**

Certificate from Statutory Auditors of the Company M/s. S. Singhvi & Co., Chartered Accountants (Firm Registration No. 003872S), Hyderabad, confirming Compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 is forming part of the Annual Report.

- **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 previously 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, by sending a letter, duly signed by the first/sole holder quoting details of Folio Number.

- **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 Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

Market price data

Annexure-A

The monthly high and low price quotations of the company's shares at the Bombay Stock Exchange Limited during the period from 01st April, 2020 to 31st March, 2021

Month	High	Low	Close
April 2020	348.90	240.20	291.85
May 2020	315.00	250.00	257.95
June 2020	345.00	240.00	300.10
July 2020	368.75	260.00	355.00
August 2020	385.40	316.05	326.55
September 2020	355.00	290.00	311.75
October 2020	408.00	310.00	371.45
November 2020	487.70	359.80	481.30
December 2020	490.00	346.00	350.95
January 2021	405.00	293.20	319.90
February 2021	419.95	317.00	369.95
March 2021	538.00	361.00	504.95

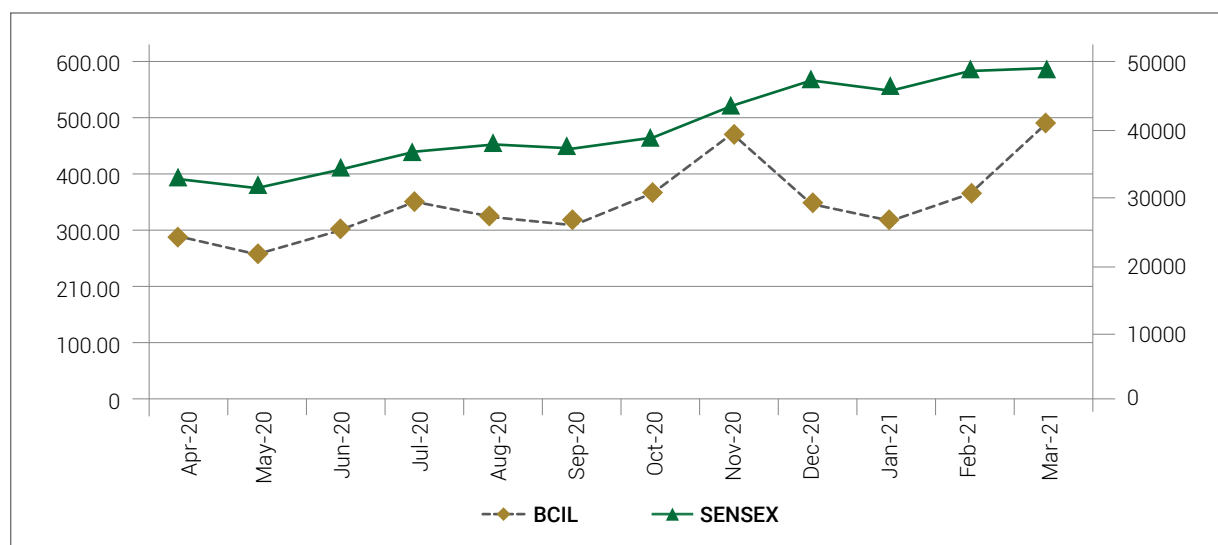




Performance of the share price of the company in comparison to BSE SENSEX for the period 1st April, 2020 to 31st March, 2021 is given below:

Month	BCIL Close	BSE SENSEX Close	Relative index for Comparison purpose	
			BCIL Share Price at BSE	BSE SENSEX
April 2020	291.85	33,717.62	116.23	131.51
May 2020	257.95	32,424.10	102.73	126.46
June 2020	300.10	34,915.80	119.51	136.18
July 2020	355.00	37,606.89	141.38	146.68
August 2020	326.55	38,628.29	130.05	150.66
September 2020	311.75	38,067.93	124.15	148.48
October 2020	371.45	39,614.07	147.93	154.51
November 2020	481.30	44,149.72	191.68	172.20
December 2020	350.95	47,751.33	139.77	186.25
January 2021	319.90	46,285.77	127.40	180.53
February 2021	369.95	49,099.99	147.33	191.51
March 2021	504.95	49,509.15	201.10	193.10

Source: www.bseindia.com



Annexure-B

Distribution of shareholding as on 31st March, 2021

Sl. No.	Shareholding of nominal value (₹)	Number of shareholders	Percentage of shareholders	Amount of shareholding (₹)	Percentage of shares held
1	up to 5000	1,640	76.96	18,12,090	2.18
2	5001-10000	183	8.59	14,39,770	1.73
3	10001-20000	91	4.27	13,74,250	1.65
4	20001-30000	48	2.25	12,51,320	1.51
5	30001-40000	36	1.69	13,08,950	1.58
6	40001-50000	20	0.94	9,41,040	1.13
7	50001-100000	42	1.97	31,74,700	3.82
8	Above 100000	71	3.33	7,17,94,880	86.40
Total		2131	100.00	83,097,000	100.00





Shareholding Pattern as on March 31, 2021

Sl. No.	Description	No. of Cases	Total Shares	% Equity
1	Promoters	9	16,86,183	20.26
2	Promoters Bodies Corporate	1	3,86,000	4.65
	Total Shareholding of Promoter and Promoter Group	10	20,69,183	24.90
3	Trusts	1	10	0.00
4	Resident Individuals	1939	35,31,805	42.51
5	Non Resident Indians	21	57,067	0.69
6	Clearing Members	20	9,756	0.12
7	Foreign Portfolio Investors	2	2,40,000	2.89
8	Banks / Financial Institutions	0	0	0.00
9	Non Resident Indian Non-Repatriable	14	1,04,272	1.25
10	Bodies Corporate	43	21,06,599	25.35
11	H U F	81	1,91,008	2.30
	Total Shareholding of Public	2121	62,40,517	75.10
	Total	2131	83,09,700	100.00

Shareholding pattern of the Promoter and Promoter Group

Name of the Shareholder	No. of Shares held	Shares as a % of total number of Shares
Sri Singavarapu Chandrasekhar	12,87,300	15.492
Greenpath Energy Private Limited	3,86,000	4.645
Smt Eadara Jayalaxmi	2,00,213	2.409
Sri Dodda Sadasivudu	63,600	0.765
Smt Singavarapu Lalitha Sree	60,000	0.722
Sri Kudaravalli Rama Krishna	25,000	0.301
Smt Kudaravalli Sri Lakshmi	24,500	0.295
Sri T Kalyan Chakravarthi	10,000	0.120
Smt K Baby	10,000	0.120
Smt Potini Vijaya Lakshmi	2,570	0.031
Total	20,69,183	24.90

Dematerialization of shares and liquidity:

Details of Shareholding in physical mode and electronic mode as on 31st March, 2021

Sl. No.	Description	No of shareholders	Total Shares	% To Equity
1	Physical	23	7,531	0.09%
2	NSDL	1071	56,32,714	67.39%
3	CDSL	1091	26,69,455	31.93%
	Total	2131	83,09,700	99.41%

Note: 49,100 equity shares of ₹ 10/- each were forfeited at the Board Meeting held on 28th January, 2006

Dematerialization of Shares

99.91% of the Company's paid-up Equity share capital has been dematerialised as on March 31, 2021. The total holdings of shares of promoters/PAC are in Demat form. The trading of the Equity shares of the company is permitted only in dematerialised form as per the notification issued by SEBI.

The Company has complied with the 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 Shareholders	Number of shares Held	% of Respective Shareholding
Promoters & Promoters Group	10	20,69,183	10	20,69,183	100%
Public	2121	62,40,517	2098	62,32,986	98.92%
Total:	2131	83,09,700	2108	83,02,169	-

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts with the respective depository participants.

Categories of Shareholding as on 31st March 2021

Category	No. of shares held	No. of shareholders	% to Equity
Promoters & PAC	20,69,183	10	24.90
Public	62,40,517	2121	75.10
Total	83,09,700	2131	100.00

*49100 equity shares have been forfeited, hence not included in the total shareholding

Top ten equity shareholders of the Company as on 31st March 2021

Sr. No.	Name of the Shareholder	Number of equity shares held	Percentage of holding
1	Sri Singavarapu Chandrasekhar	12,87,300	15.49
2	Ratnabali Investment Private Limited	11,59,140	13.95
3	Sri R Venkata Narayana	6,27,230	7.55
4	Rajasthan Gum Private Limited	5,09,543	6.13
5	Sri Mukul Mahavir Agarwal	4,00,000	4.81
6	Greenpath Energy Private Limited	3,86,000	4.65
7	Sri Chetan Shantilal Shah	3,81,971	4.60
8	Sri Dipesh K Shroff	2,37,760	2.86
9	Smt Eadara Jayalaxmi	2,00,213	2.41
10	Polus Global Fund	2,00,000	2.41

The Company has not issued any GDRs or ADRs or Warrants or Convertible Instruments in the Current Financial year

Compliance Certificate of the Auditors:

A Certificate from Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance is annexed with the report.

Registrar & Transfer Agents (RTA) :

XL Softech Systems Limited

Address: Plot No. 3, Sagar Society, Road No. 2,
Banjara Hills, Hyderabad - 500 034
Tel. (040) 23545913 Fax (040) 23553214

Email: xlfield@rediffmail.com

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,
Site : www.bhagirad.com

Factory Address:

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

Company Secretary & Compliance Officer:

Smt. Saheli Banerjee

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, Chairman of the Company, hereby confirm that all the Members of the Board 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, 2021.

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

Registered Office

Plot No. 3, Sagar Society, Road No. 2
Banjara Hills, Hyderabad - 500034
CIN: L24219TG1993PLC015963
Ph: +91-040 42221212/ 2323
E-mail: info@bhagirad.com

Date: 4th May, 2021
Place: Hyderabad

K S Raju
Chairman
(DIN: 00008177)

S Chandra Sekhar
Managing Director
(DIN: 00159543)

THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

To
The Board of Directors,
Bhagiradha Chemicals & Industries Limited

We, S. Chandra Sekhar, Managing Director and B. Krishna Mohan Rao, Chief Financial officer of Bhagiradha Chemicals & Industries Limited, to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year under review and certify that:
 - i. These statements do not contain any materially untrue statement or omit any material facts 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) To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internal controls and the steps taken to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit committee that
 - i. There are no significant changes in internal control over financial reporting during the year
 - ii. There are no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
 - iii. There are no frauds of which we are aware, that involves management or other employees who have a significant role in the company's internal controls system.

Date : 4th May, 2021
Place: Hyderabad

S. Chandra Sekhar
Managing Director

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, 2021, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Shailendra Singhvi
Proprietor
Membership No.023125/ICAI
UDIN No. : 21023125AAAABB3072

Place: Hyderabad
Date : 4th May, 2021





Annexure-IX

Criteria for Determining Qualifications, Positive Attributes and Independence of Directors

1. Definition of Independence

- A director will be considered as an 'Independent Director' ('ID') if the person meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations').
- The definition of Independent Director is as provided in the Act and Listing Regulations.
- Current and ex-employees of a the company may be considered as independent only if he/she has or had no pecuniary relationship with the company (due to employment/receipt of monthly pension by way of Special Retirement Benefits/holding consultant or advisor positions) during the two immediately preceeding financial years or during the current financial year.

2. Qualifications of Directors

- Boards will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.
- It is expected that boards have an appropriate blend of functional and industry expertise.
- While recommending appointment of a director, it is expected that the Nomination and Remuneration Committee ('NRC') consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.
- IDs ideally should be thought/practice leaders in their respective functions/domains.

3. Positive attributes of Directors

Directors are expected to comply with duties as provided in the Act. For reference, the duties of the Directors as provided by the Act are as follows:

- (i) Act in accordance with the articles of the company.
- (ii) Act in good faith in order to promote the objects of the company for the benefit of its members as a whole and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- (iii) Exercise duties with due and reasonable care, skill and diligence and exercise independent judgement.
- (iv) Not be involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (v) Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
- (vi) Not assign his office.





Additionally, the Directors on the Board are also expected to demonstrate high standards of ethical behaviour, strong interpersonal and communication skills and soundness of judgement. IDs are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to Section 149(8) of the Act and adopted by the Board. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors. The guidelines of professional conduct specified in the Code are as follows:

An Independent Director shall:

- (i) uphold ethical standards of integrity and probity;
- (ii) act objectively and constructively while exercising his duties;
- (iii) exercise his responsibilities in a bona fide manner in the interest of the company;
- (iv) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (v) not allow any extraneous considerations that will vitiate his exercise of objective independent judgement in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision making;
- (vi) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (vii) refrain from any action that would lead to loss of his independence;
- (viii) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (ix) assist the company in implementing the best corporate governance practices.

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

Registered Office

Plot No. 3, Sagar Society, Road No. 2
Banjara Hills, Hyderabad - 500034
CIN: L24219TG1993PLC015963
Ph: +91-040 42221212/ 2323
E-mail: info@bhagirad.com

Date: 4th May, 2021
Place: Hyderabad

K S Raju
Chairman
(DIN: 00008177)

S Chandra Sekhar
Managing Director
(DIN: 00159543)





Independent Auditor's Report

To
The Members
of Bhagiradha Chemicals & Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its 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	Net Realisable value of Finished Goods Finished goods inventory are valued at lower of cost or net realizable value. Considering that there is always a volatility in the Selling price of the Agro-Chemicals, which is dependent upon various market conditions, determination of net realizable value for these chemicals involves significant management judgement and therefore has been considered as a key audit matter. The total value of finished goods (Agrochemicals) as at 31st March, 2021 is ₹ 20,23,36,625/- which is in accordance with the accounting policies referred to in Note no. 2.10(c).	1. Evaluated the design of internal controls relating the management judgments and estimates relating to quantity, purity, fair value less costs to sell and also tested the operating effectiveness of the aforesaid controls. 2. Obtained an understanding of the significant management judgements applied in determination of the quantity, purity and their fair value and assessed and tested the reasonableness of these judgements. 3. Obtained the market information for the fair values and compare them with the rates considered by the management in determining the fair values. 4. Assessed the appropriateness of the disclosure in the financial statements in accordance with the applicable financial reporting framework.





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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.





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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure

about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.





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

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
- ii. The Company did not have any long term contracts including derivative contracts

for which there were any material foreseeable losses.

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

For S Singhvi & Co.

Chartered Accountants
Firm Regi. No. 003872S

Shailendra Singhvi

Proprietor

Place : Hyderabad

Dated : 04.05.2021

Membership No.023125/ICAI

UDIN No. : 21023125AAAAAZ8257





Annexure “A” to the Auditor’s Report

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

- i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii). The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No material discrepancies have been noticed on physical verification of stocks as compared to book records.
- iii). The company has not granted any loans secured or unsecured, to companies, firms, Limited Liability Partnership or other parties who are covered in the register maintained under section 189 of Companies Act, 2013, accordingly Clause (iia),(iii b) and (iii c) of Paragraph 3 of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complies with the provisions of Section 186 of the Companies Act, 2013 with respect to unsecured loans given to subsidiary and investments made in subsidiary. The Company has not given any loan under Section 185 of the Companies Act, 2013. The Company has not given any guarantee or provided any security under section 185 and 186 of the Companies Act, 2013.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and as per the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) The Company has maintained cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii) a. According to the information & explanations given to us, none of the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Goods & Service Tax, Cess and any other material Statutory Dues were outstanding as at last day of the financial year concerned for a period of more than six months.
- b. According to the information & explanations given to us, there is no dues in respect of disputed amount to be deposited in respect of Custom Duty, Goods and Service Tax, Cess and other material Statutory dues as on 31st March,2021.
- viii) According to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to the financial institutions, bank, government or dues to debenture holders.
- ix) In our opinion, and according to the information and explanations given to us, the company has not raised money by way of term loans or initial public offer or further public offer (including debt instruments) and hence reporting under clause (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no fraud by the Company or any fraud on the company by its officers/employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us, the Company has paid and provided managerial remuneration during the year as per the provisions of Section 197 read with Schedule V to the Companies Act.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, Clause (xii) of Paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanations given to us, all transactions with the related party are in compliance with section 177 & 188 of Companies Act, 2013 and the same has been disclosed in financial statements as required by the Accounting Standards.
- xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly reporting requirement under paragraph 3(xiv) of the Order are not applicable to the company.
- xv) According to the information and explanations given to us, the company has not entered into Non-Cash Transactions with directors or persons connected with him during the year.
- xvi) According to the information and explanations given to us, company is not required to be registered under section 45-IA of Reserve Bank of India.

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

Shailendra Singhvi
Proprietor

Place : Hyderabad
Dated : 04.05.2021

Membership No.023125/ICAI
UDIN No. : 21023125AAAAZ8257





Annexure “B” to the Independent Auditor’s Report of Even Date on the Financial Statements of Bhagiradha Chemicals & Industries Limited

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

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

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For S Singhvi & Co.

Chartered Accountants
Firm Regi. No. 003872S

Shailendra Singhvi

Proprietor

Place : Hyderabad

Dated : 04.05.2021

Membership No.023125/ICAI

UDIN No. : 21023125AAAAAZ8257





Standalone Balance Sheet

AS AT 31ST MARCH, 2021

PARTICULARS	NOTE	(in ₹)	
		AS AT 31-03-2021	AS AT 31-03-2020
ASSETS			
Non-current assets			
Property, Plant & Equipment	3	1,444,754,393	1,382,362,705
Capital Work in Progress	4	12,068,106	31,045,526
Intangible Assets	5	2,707,821	464,521
Intangible Assets under development	6	1,702,076	5,128,076
Financial Assets			
Investments	7	80,100,000	-
Loans	8	22,492,624	22,442,624
Deposits & Others	9	23,976,297	4,750,816
Deferred tax assets (Net)	10	-	16,452,853
Other Non Current Assets	11	3,132,222	4,299,012
Total Non Current Assets		1,590,933,539	1,466,946,133
Current assets			
Inventories	12	503,754,423	562,541,183
Financial Assets			
Trade receivables	13	596,578,174	114,925,818
Cash and cash equivalents	14	3,187,323	27,489,321
Other bank balances	15	2,609,190	9,724,515
Deposits & Others	16	1,391,568	1,915,767
Current Tax Assets (Net)	17	1,533,815	1,533,815
Other Current Assets	18	30,858,982	67,569,990
Total Current Assets		1,139,913,475	785,700,409
Total Assets		2,730,847,014	2,252,646,541
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	19	83,342,500	83,342,500
Other Equity	20	1,474,977,685	1,239,107,069
Total Equity		1,558,320,185	1,322,449,569
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	21	192,192,765	74,271,938
Other Financial Liabilities	22	13,722,438	15,247,154
Provisions	23	-	9,648,490
Deferred tax Liabilities (Net)	24	15,567,804	-
Total Non Current Liabilities		221,483,008	99,167,582
Current Liabilities			
Financial Liabilities			
Borrowings	25	386,663,366	315,766,480
Trade payables	26	476,903,394	241,672,059
Other Financial Liabilities	27	80,754,318	269,988,611
Other current liabilities	28	4,151,570	3,602,240
Provisions	23	1,676,188	-
Current Tax Liabilities	29	894,985	-
Total Current Liabilities		951,043,821	831,029,390
Total Liabilities		1,172,526,829	930,196,972
Total Equity & Liabilities		2,730,847,014	2,252,646,541
Summary of Significant Accounting Policies	1 to 2		

The accompanying notes are an integral part of the standalone financial statements 3 to 53

As per our report of even date

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

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 04.05.2021

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

Saheli Banerjee
Company Secretary





Standalone Statement of Profit & Loss

FOR THE YEAR ENDED 31ST MARCH, 2021

(in ₹)

Sl. No.	PARTICULARS	NOTE	FOR THE YEAR ENDED MARCH 31, 2021	FOR THE YEAR ENDED MARCH 31, 2020
I.	Income:			
	Revenue from Operations	30	3,178,977,052	2,456,715,343
	Other Income	31	6,381,394	16,706,244
	Total Revenue (I)		3,185,358,446	2,473,421,587
II.	Expenses:			
	Cost of Materials Consumed	32	1,961,095,166	1,517,236,097
	Change in inventories of finished goods and Work in progress	33	47,529,386	78,841,819
	Employee benefits expense	34	194,219,988	188,935,196
	Financial costs	35	82,641,774	54,846,209
	Depreciation expense	3	81,436,840	66,601,877
	Other expenses	36	506,102,431	502,437,368
	Total Expenses (II)		2,873,025,585	2,408,898,566
III.	Profit/(Loss) Before Exceptional Items and Tax (I-II)		312,332,861	64,523,021
	Exceptional Items	38	10,540,197	24,704,216
IV.	Profit/(Loss) After Exceptional Items and Before Tax		322,873,058	89,227,237
V.	Tax expense:	39		
	Current tax		56,715,252	14,071,085
	MAT Credit Entitlement		(43,726,845)	(14,071,085)
	Deferred tax charge/ (credit)		75,242,717	22,181,249
	Earlier years Tax		-	1,975,224
			88,231,123	24,156,473
VI.	Profit/(Loss) for the year		234,641,935	65,070,765
	Other Comprehensive Income	40		
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
	Remeasurement on employees defined benefit plan		1,733,466	(4,928,863)
	Deferred tax credit on above		(504,785)	1,371,210
	Total other Comprehensive Income, net of tax		1,228,681	(3,557,653)
	Total Comprehensive Income, net of tax		235,870,616	61,513,112
	Earning per equity share of ₹ 10/- each fully paid:	41		
	Basic (₹)		28.24	7.83
	Diluted (₹)		28.24	7.83
	Summary of Significant Accounting Policies	1 to 2		

The accompanying notes are an integral part of the standalone financial statements 3 to 53

As per our report of even date

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

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 04.05.2021

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

Saheli Banerjee
Company Secretary





Standalone Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	(in ₹)	
	AS AT 31-03-2021	AS AT 31-03-2020
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit Before Tax	322,873,058	89,227,237
Adjustments for :		
Depreciation	81,436,840	66,601,877
Loss on sale of fixed assets	2,813,026	-
Interest Paid	48,414,664	41,917,327
Interest income & Notional Income	(4,065,569)	(3,823,443)
Provision for bad & doubtful debts	337,363	57,348
Exchange Differences on translation of assets & liabilities	(1,728,388)	(4,886,457)
Gratuity & Compensated absence	4,761,164	4,217,620
Operating profit before working capital changes	454,842,158	193,311,510
Adjustments for movement in working capital :		
(Increase)/Decrease in Inventories	58,786,760	12,603,279
(Increase)/Decrease in Trade Receivables	(481,652,356)	727,381,484
(Increase)/Decrease in Other Financial & Non Financial Assets	26,241,842	64,248,884
Increase/(Decrease) in Trade Payables	235,231,335	(583,343,678)
Increase/(Decrease) in Other Financial, non financial liabilities & provisions	(196,448,515)	99,569,267
Cash generated from operations	97,001,223	513,770,745
Direct taxes paid (Net of refund)	(55,914,584)	(32,170,126)
Net cash flow from operating activities (A)	41,086,639	481,600,619
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipments (Tangible & Intangible)	(133,724,224)	(388,299,563)
Proceeds from sale of property, plant & equipments	3,816,790	-
Investments in Subsidiary Company	(80,100,000)	
Interest received	2,540,853	2,298,727
Net cash flow used in investing activities (B)	(207,466,581)	(386,000,836)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds/(Repayment) of long term borrowings (Net)	117,920,827	7,622,880
Proceeds/(Repayment) of short term borrowings (Net)	70,896,886	(38,807,641)
Dividend Paid	-	(20,035,569)
Interest paid	(46,739,770)	(40,004,688)
Net cash used in financing activities (C)	142,077,944	(91,225,019)
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	(24,301,998)	4,374,764
Cash and cash equivalents at the beginning of the year	27,251,369	22,876,605
Cash and cash equivalents at end of the year	2,949,371	27,251,369
Cash and cash equivalents include		
Cash on hand	132,351	169,401
Balances with banks in current accounts	2,817,020	27,081,968

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

As per our report of even date

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

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICA

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 04.05.2021

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

Saheli Banerjee
Company Secretary





Standalone Statement of Changes in Equity

FOR THE YEAR ENDED 31ST MARCH, 2021

a Equity Share Capital

PARTICULARS	AS AT 31.03.2021		AS AT 31.03.2020	
	Number of shares	Amount In ₹	Number of shares	Amount In ₹
As at April 01, 2020	8,309,700	83,097,000	8,309,700	83,097,000
Add: Forfeited Shares (amount originally paid up)	-	245,500	-	245,500
Add: Issued during the year	-	-	-	-
As at March 31, 2021	8,309,700	83,342,500	8,309,700	83,342,500

b Other Equity

PARTICULARS	(in ₹)			
	Security Premium Reserve	General Reserve	Retained Earnings	Total
As at April 01, 2019	552,476,000	90,273,859	554,879,668	1,197,629,527
Add: Profit for the year	-	-	65,070,765	65,070,765
Add: Issued during the year	-	-	-	-
Less : Equity Dividend (₹ 2/ per equity Share)			(16,619,400)	(16,619,400)
Less : Corporate Tax on Equity Dividend			(3,416,169)	(3,416,169)
Add: Other Comprehensive Income for the year :				
Remeasurement of employees defined benefit plans	-	-	(4,928,863)	(4,928,863)
Deferred tax on above	-	-	1,371,210	1,371,210
As at March 31, 2020	552,476,000	90,273,859	596,357,210	1,239,107,069
As at April 01, 2020	552,476,000	90,273,859	596,357,210	1,239,107,069
Add: Profit for the year	-	-	234,641,935	234,641,935
Add: Other Comprehensive Income for the year :				
Remeasurement of employees defined benefit plans	-	-	1,733,466	1,733,466
Deferred tax on above	-	-	(504,785)	(504,785)
As at March 31, 2021	552,476,000	90,273,859	832,227,826	1,474,977,685

As per our report of even date

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

Place : Hyderabad
Date : 04.05.2021

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

K S Raju
Chairman
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A Arvind Kumar
Chief Executive Officer

S Chandra Sekhar
Managing Director
DIN NO. 00159543

B Krishna Mohan Rao
Chief Financial Officer

Saheli Banerjee
Company Secretary





Notes to Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

1. OVERVIEW OF THE COMPANY

Bhagiradha Chemicals & Industries Limited was incorporated on 7th July, 1993 in Hyderabad (Telangana). The Company is a public limited company incorporated and domiciles in India and has its registered office at 8-2-269/3/A, Plot No 3, Sagar Society, Road No 2, Banjara Hills, Hyderabad - 500 034 (TS). It is incorporated under the Companies Act and its shares are listed on the Bombay Stock Exchange. It has got its manufacturing facility in Ongole, Prakasam District of Andhra Pradesh and is engaged in manufacture of Agrochemicals.

2. SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation & compliance with IND AS

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

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

2.2 Uses of Estimates & judgments

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

2.3 Measurement of Fair Values

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

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

- Level 1 - Quoted price (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted price included in Level 1 that are observable for the





Notes to Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

- Level 3 - Inputs for the asset or liability that is not based on observable market data (unobservable inputs)

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

2.4 Property, Plant and Equipment and Depreciation

- a) Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.
- b) Subsequent expenditure is capitalised only when cost can be measured reliably and it is probable that the future benefits will flow to the company.
- c) Capital work-in-progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.
- d) Expenditure during construction period:
Expenditure (direct & indirect) incurred during the construction period which are attributable to acquisition / construction of fixed assets, will be capitalized with the respective Plant, Property & Equipment at the time of commissioning of such assets.

- e) The estimated useful life of assets is as follows:

Building	30 - 60 Years
Plant and equipment	20 - 25 Years
Plant and equipment - R & D	10 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computer and data processing equipment	3 Years

- f) Leasehold improvements and leasehold land are amortized over the lease term except for lease hold land acquired under perpetual lease.
- g) Depreciation on tangible fixed assets (property, plant and equipment) has been provided on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use. Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate.
- h) Items of fixed assets that are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately under other current assets in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.
- i) An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

2.5 Intangible Assets

- a) Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses, if any.
- b) Subsequent expenditure related to an item of intangible assets is added to its book value, only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.





Notes to Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

- c) In respect of Intangible fixed assets amortised on straight line basis - Technical know how @ 5.28 % p.a., computer software over a period of useful life of 3 years and product development expenses are to be amortised over a period of their useful life of 4 years.
- d) An intangible asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal of fixed assets carried at cost are recognised in the Statement of Profit and Loss.

2.6 Impairment of Property, Plant and Equipment

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

2.7 Borrowing Costs

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

2.8 Research and Development Cost

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

2.9 Non Current Assets held for Sale

Non-current assets are classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised as profit or loss. Once classified as held-for-sale they are no longer amortised or depreciated.

2.10 Inventories

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

2.11 Cash and Cash Equivalents

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

2.12 Cash Flow Statement

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

2.13 Leases

A lease is classified at the inception date as finance lease or an operating lease. Leases under which the Company assumes substantially, all the risk and rewards of ownership are classified as finance leases. When acquired, such assets are capitalised





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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 and volume rebates.
- b) Income from services rendered is recognized based on agreements with the customers using the proportionate completion method, when services are performed and no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering of service.
- c) Export incentives are recognised when the right to receive credit as per the terms of incentives is established in respect of exports made.





Notes to Standalone Financial Statements

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- d) Interest income is recognized on a time proportionate basis, taking into account the amount outstanding and the rates applicable. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate method to the net carrying amount of the financial assets.

2.15 Income Tax

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

a) Current Tax

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

b) Deferred Tax

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

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised

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

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

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

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

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

c) Minimum Alternate Tax

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the statement of profit & loss and is considered as (MAT credit entitlement). The Company reviews the same





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

2.16 Employee Benefits

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

I. Defined contribution plans

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

II. Defined benefit plans

The Company provides for gratuity benefit and compensated absences, which are defined benefit plans, covering all its eligible employees. Liability towards gratuity benefits and compensated absences expected to occur after twelve months, is determined using the Projected Unit Credit Method. Actuarial valuations are carried out at the

balance sheet date. Remeasurements of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. The gratuity benefit and compensated absences scheme is funded with the Life Insurance Corporation of India (LIC). The short term provision for compensated absences has been calculated on undiscounted basis, based on the balance of leave available over and above the maximum accumulation allowed as per the company's policy.

2.17 Foreign Currency Transactions

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

2.18 Provisions and Contingencies

- a) A provision is recognised, if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an





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FOR THE YEAR ENDED 31ST MARCH, 2021

outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

- b) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

2.19 Government Grants

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

2.20 Earnings per Share

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

2.21 Operating Cycles

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

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

2.22 Dividend

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

2.23 Financial Instruments

a) Financial Assets

i) Recognition and initial measurement

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

ii) Subsequent measurement

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

Financial assets at amortised cost

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

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

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





Notes to Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial assets at fair value through profit (FVTPL)

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

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

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

iii) Derecognition

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

iv) Impairment of Financial Assets

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

- Financial assets that are debt instruments, and are measured at amortised cost

e.g., loans, debt securities, deposits, and bank balance.

- Trade receivables.

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

b) Financial Liabilities

i) Recognition and initial measurement

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

ii) Subsequent measurement

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

iii) Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its





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FOR THE YEAR ENDED 31ST MARCH, 2021

terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability is extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

iv) Setting off financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends

either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c) Derivative Financial Instruments

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





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

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									(in ₹)
Balance as at April 01, 2019	27,182,917	184,798,602	1,174,107,557	113,682,846	3,380,186	4,632,389	3,687,192	6,316,249	1,517,787,938
Additions	19,405,070	14,714,957	317,431,943	35,685,726	465,625	832,886	1,215,012	805,371	390,556,589
Deductions / Adjustments	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	46,587,987	199,513,559	1,491,539,499	149,368,572	3,845,811	5,465,275	4,902,204	7,121,620	1,908,344,527
Accumulated Depreciation									
Opening Accumulated depreciation	-	47,568,948	334,683,562	63,041,203	2,380,926	3,537,802	2,716,265	5,715,505	459,644,211
Depreciation charge during the year	-	5,764,426	49,593,239	9,438,830	145,282	402,065	565,054	428,715	66,337,611
Disposal/Adjustments	-	-	-	-	-	-	-	-	-
Closing Accumulated depreciation	-	53,333,374	384,276,801	72,480,033	2,526,208	3,939,867	3,281,319	6,144,220	525,981,822
Net Carrying amount as at 31.03.2020	46,587,987	146,180,185	1,107,262,698	76,888,539	1,319,603	1,525,408	1,620,885	977,400	1,382,362,705
Gross carrying value									
Balance as at April 01, 2020	46,587,987	199,513,559	1,491,539,499	149,368,572	3,845,811	5,465,275	4,902,204	7,121,620	1,908,344,527
Additions	968,000	1,368,914	131,719,590	14,191,653	118,346	373,776	665,365	-	149,405,644
Deductions / Adjustments	-	-	11,180,801	-	-	-	2,182,787	-	13,363,588
Balance as at March 31, 2021	47,555,987	200,882,473	1,612,078,288	163,560,225	3,964,157	5,839,051	3,384,782	7,121,620	2,044,386,583
Accumulated Depreciation									
Opening Accumulated depreciation	-	53,333,374	384,276,801	72,480,033	2,526,208	3,939,867	3,281,319	6,144,220	525,981,822
Depreciation charge during the year	-	6,002,266	61,406,054	11,643,654	153,873	403,881	678,774	95,638	80,384,140
Disposal/Adjustments	-	-	4,660,127	-	-	-	2,073,645	-	6,733,772
Closing Accumulated depreciation	-	59,335,640	441,022,728	84,123,687	2,680,081	4,343,748	1,886,448	6,239,858	599,632,190
Net Carrying amount as at 31.03.2021	47,555,987	141,546,833	1,171,055,560	79,436,539	1,284,076	1,495,303	1,498,334	881,762	1,444,754,393





Notes Forming Part of the Standalone Financial Statements

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4. CAPITAL WORK IN PROGRESS (Assets under installation)

(in ₹)

Particulars	Buildings	Plant and equipment	Total Capital Work in progress
As at April 01, 2019	3,611,350	30,241,202	33,852,552
Additions	11,103,607	347,567,213	358,670,820
Deductions / Capitalised	14,714,957	346,762,889	361,477,846
As at March 31, 2020	-	31,045,526	31,045,526
As at April 01, 2020	-	31,045,526	31,045,526
Additions	1,368,914	126,933,823	128,302,737
Deductions / Capitalised	1,368,914	145,911,243	147,280,157
As at March 31, 2021	-	12,068,106	12,068,106

5. INTANGIBLE ASSETS

(in ₹)

Particulars	Computer Software Purchased	Technical Know How	Product Registration	Total Intangible Assets
Gross carrying value				
Balance as at April 01, 2019	178,715	4,070,000	914,800	5,163,515
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2020	178,715	4,070,000	914,800	5,163,515
Amortisation				
As at April 01, 2019	136,028	4,070,000	228,700	4,434,728
Charge for the year	35,566	-	228,700	264,266
Disposal	-	-	-	-
As at March 31, 2020	171,594	4,070,000	457,400	4,698,994
Net Carrying amount as at 31.03.2020	7,121	-	457,400	464,521
Gross carrying value				
Balance as at April 01, 2020	178,715	4,070,000	914,800	5,163,515
Additions	-	-	3,296,000	3,296,000
Disposals	-	-	-	-
As at March 31, 2021	178,715	4,070,000	4,210,800	8,459,515
Amortisation				
As at April 01, 2020	171,594	4,070,000	457,400	4,698,994
Charge for the year	-	-	1,052,700	1,052,700
Disposal	-	-	-	-
As at March 31, 2021	171,594	4,070,000	1,510,100	5,751,694
Net Carrying amount as at 31.03.2021	7,121	-	2,700,700	2,707,821





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

6. INTANGIBLE ASSETS UNDER DEVELOPMENT

(in ₹)

Intangible Assets under development	Product Registration	Total Capital Work in progress
As at April 01, 2019	4,578,076	4,578,076
Additions	550,000	550,000
Deductions	-	-
As at March 31, 2020	5,128,076	5,128,076
As at April 01, 2020	5,128,076	5,128,076
Additions	-	-
Deductions	3,426,000	3,426,000
As at March 31, 2021	1,702,076	1,702,076

7. INVESTMENTS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
INVESTMENT IN Equity Instruments (Unquoted)		
Investments in Subsidiary (Valued at cost unless stated otherwise)		
Bheema Fine Chemicals Private Limited		
(8,010,000 Equity Shares of ₹ 10/- per Share)	80,100,000	-
Total	80,100,000	-

8. FINANCIAL ASSETS - LOANS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Non Current		
(Unsecured considered good unless otherwise stated)		
Security Deposit	22,492,624	22,442,624
Total	22,492,624	22,442,624

9. OTHER FINANCIAL ASSETS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Balances with Banks:		
On term deposits with original maturity of more than 12 months	21,857,904	3,507,247
Interest accrued on deposits	2,118,393	1,243,569
Total	23,976,297	4,750,816





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

10. DEFERRED TAX ASSETS (NET)

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Deferred tax assets relating to:		
Unused tax losses/depreciation	-	57,295,065
Expenses allowable on payment basis	-	5,371,513
Relating to Ind AS adjustments	-	-
Total deferred tax assets	-	62,666,577
Deferred tax liabilities relating to:		
Accumulated depreciation for tax purposes	-	134,210,920
Relating to Ind AS adjustments	-	3,801,049
Total deferred tax liabilities	-	138,011,969
Deferred tax assets (Net)	-	(75,345,392)
Add: MAT credit entitlement	-	91,798,244
Total deferred tax assets (net)	-	16,452,853

10.1 DEFERRED TAX ASSETS/(LIABILITIES)

For the year ended March 31, 2020

(in ₹)				
PARTICULARS	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(101,406,515)	(32,804,406)	-	(134,210,920)
MAT credit Entitlement	77,727,159	14,071,085	-	91,798,244
Unused tax losses/depreciation	47,827,481	9,467,584	-	57,295,065
Expenses allowed on payment basis	4,394,347	977,166	-	5,371,512
Other items giving rise to temporary differences	(5,350,666)	178,408	1,371,210	(3,801,049)
	23,191,807	(8,110,163)	1,371,210	16,452,853

11. OTHER NON CURRENT ASSETS

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Unsecured - considered good unless otherwise stated		
Capital Advances	3,132,222	4,299,012
Total	3,132,222	4,299,012





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

12. INVENTORIES

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Valued at Cost or net realisable value whichever is lower		
Raw Material	175,545,630	181,960,347
Raw Material in bonded ware house	6,706,979	3,176,558
Work in progress	93,848,291	89,494,277
Finished Goods	202,336,625	254,220,025
Packing Materials	2,134,529	1,663,059
Coal & Fuel	8,038,654	29,746,079
Stores, spares & consumables	15,143,715	2,280,838
Total	503,754,423	562,541,183

13. TRADE RECEIVABLES

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Unsecured - Considered good	596,578,174	114,925,818
Unsecured - Considered doubtful	-	-
Unsecured - Considered Bad	337,363	57,348
	596,915,537	114,983,166
Less: Bad debts Written off	337,363	57,348
Total	596,578,174	114,925,818

13.1 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 31.03.2021. As on 31.03.2020, a receivable amount of ₹ 0.86 Cr was due under this category. (Refer note 49)

14. CASH & CASH EQUIVALENTS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Balances with banks in current accounts	2,436,300	24,055,524
Balances with banks in EEFC accounts	380,720	592,897
Balances with banks in unclaimed dividend accounts	237,952	237,952
Deposits with original maturity of less than three months	-	2,433,547
Cash in hand	132,351	169,401
Total	3,187,323	27,489,321

15. OTHER BANK BALANCES

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Deposits with original maturity of more than 3 months but less than 12 months	2,609,190	9,724,515
Total	2,609,190	9,724,515





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

16. FINANCIAL ASSETS - DEPOSITS & OTHERS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Current(Unsecured - considered good unless otherwise stated)		
Advances recoverable in cash	311,500	835,700
Accrued Interest	1,080,068	1,080,067
Total	1,391,568	1,915,767

17. CURRENT TAX ASSETS (NET)

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Income tax paid (Net of provision)	1,533,815	1,533,815
Total	1,533,815	1,533,815

18. OTHER CURRENT ASSETS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Current(Unsecured - considered good unless otherwise stated)		
Advances recoverable in kind	1,284,862	10,941,915
Advance towards expenses	4,007,877	1,496,548
Prepaid Expenses	12,831,886	2,830,593
Balance with statutory/Government Authorities	12,734,357	52,300,935
Total	30,858,982	67,569,990

19. EQUITY SHARE CAPITAL

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Authorised		
10,000,000 Equity Shares of ₹ 10/- each	100,000,000	100,000,000
Total	100,000,000	100,000,000
Issued & Subscribed		
83,58,800 Equity Shares of ₹ 10/- each,		
Fully Paid up	83,588,000	83,588,000
	83,588,000	83,588,000
Paid up		
83,09,700 (Previous Year 83,09,700)Equity Shares of ₹10/- each with Voting Rights		
Fully Paid up	83,097,000	83,097,000
Less: Forfeited shares (amount originally paid up)	245,500	245,500
Total	83,342,500	83,342,500





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

19.1 RECONCILIATION OF NUMBER OF SHARES:

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Number of Equity Shares at the beginning of the year	8,309,700	8,309,700
Add: Number of shares issued during the year	-	-
Number of Equity Shares at the end of the year	8,309,700	8,309,700

19.2 RIGHTS ATTACHED TO EQUITY SHARES

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

19.3 DETAILS OF SHARES HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES

PARTICULARS	AS AT 31-03-2021		AS AT 31-03-2020	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹ 10/- each held by:				
S Chandra Sekhar	1,287,300	15.49%	1,287,300	15.49%
Ratnabali Investment Private Limited	1,159,140	13.95%	1,159,140	13.95%
R Venkata Narayana	627,230	7.55%	608,087	7.32%
Rajasthan Gum Private Limited	509,543	6.13%	500,000	6.02%
Mukul Mahavir Agarwal	400,000	4.81%	425,178	5.12%

19.4 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.

19.5 Proposed Dividend

The Board of Directors has not recommended any payment of Dividend for the financial year ended March 31, 2021 (March 31, 2020 ₹ Nil per share).

20. OTHER EQUITY

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Share Warrants		
Opening Balance	-	-
Add: amount received on issue of share warrants	-	-
Less: conversion of share warrants into share capital	-	-
	-	-
Securities Premium		
Opening Balance	552,476,000	552,476,000
Add: received on shares issued during the year	-	-
Less: Utilised during the year	-	-
	552,476,000	552,476,000





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
General Reserve		
Opening Balance	90,273,859	90,273,859
Surplus in the Statement of Profit & Loss		
Opening Balance	596,357,210	554,879,668
Less : Equity Dividend (₹ 2/ per equity Share)	-	16,619,400
Less : Corporate Tax on Equity Dividend	-	3,416,169
Add: Profit for the year	234,641,935	65,070,765
Other Comprehensive Income net of tax	1,228,681	(3,557,653)
Closing Balance	832,227,826	596,357,210
Total	1,474,977,685	1,239,107,069

21. FINANCIAL LIABILITIES - BORROWINGS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Non Current Borrowings		
Term Loan (Secured)		
From Axis Bank Ltd	116,727,062	54,138,334
From State Bank Of India (CECL)	2,209,954	-
From State Bank Of India (GECL 2.0)	29,195,855	-
From Axis Bank Ltd (GECL 2.0)	17,952,278	-
Other Loans		
Sales tax deferment (Unsecured)	18,423,827	16,748,933
Loan from Inter corporates	21,798,406	1,543,643
Loan from directors	28,864,381	40,530,460
	235,171,763	112,961,371
Current Maturities of non current borrowings		
Term Loan (Secured)		
From Axis Bank Ltd	33,800,000	31,794,868
From State Bank Of India (GECL 2.0)	604,167	-
From Axis Bank Ltd (GECL 2.0)	497,222	-
Other Loans		
Sales tax deferment (Unsecured)	6,219,702	5,615,611
Loan from Inter corporates	298,406	48,493
Loan from directors	1,559,501	1,230,460
	42,978,998	38,689,432
Total	192,192,765	74,271,938





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

21.1 Details of Indian Rupee Term Loan from banks are as under:

(in ₹)

Name of the Bank/Others	Amount	Number of Installments	Commencement of Installments	Effective Interest Rate
From Axis Bank Ltd				
Term Loan I				
Sanction Amount	100,000,000	20 Structured stepped up quarterly installments First 4 - 0.25 Cr. Each, next 12 - 0.50 Cr. Each & last 4 - 0.75 Cr. Each	December 2015	As on 31.03.2021 MCLR of 7.40% plus spread 1.85% p.a. (March 31, 2020: MCLR of 8.20% plus spread 3.50%)
Outstanding As on 31-03-2021	-			
Outstanding As on 31-03-2020	13,044,868			
Term Loan II				
Sanction Amount	75,000,000	16 Quarterly installments of 0.47 Cr. Each	October 2018	As on 31.03.2021 MCLR of 7.40% plus spread 1.85% p.a. (March 31, 2020: MCLR of 8.20% plus spread 3.50%)
Outstanding As on 31-03-2021	22,118,925			
Outstanding As on 31-03-2020	41,093,466			
Term Loan III (Fresh Term Loan)				
Sanction Amount	100,000,000	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 31.03.2021 MCLR of 7.40% plus spread 1.85% p.a.
Outstanding As on 31-03-2021	94,608,137			
Outstanding As on 31-03-2020	-			
From State Bank Of India (GECL 2.0)				
Sanction Amount	29,000,000	48 Monthly Installments of 0.06 Cr. Each after a Moratorium of 12 Months	March 2022	As on 31.03.2021 MCLR of 6.95% plus spread 1.0% p.a.
Outstanding As on 31-03-2021	29,195,855			
Outstanding As on 31-03-2020	-			
From Axis Bank Ltd (GECL 2.0)				
Sanction Amount	17,900,000	36 Monthly Installments of 0.05 Cr. Each after a Moratorium of 12 Months	March 2022	As on 31.03.2021 MCLR of 7.45% plus spread 0.8% p.a.
Outstanding As on 31-03-2021	17,952,278			
Outstanding As on 31-03-2020	-			





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

21.2 Term loans I, II & III sanctioned by Axis Bank Ltd are secured by exclusive first charge on fixed assets created out of the term loans extended by the term lender and paripassu 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 except assets funded out of term loans I, II & III and personal guarantee of Sri S Chandra Sekhar, Managing Director of the Company & Smt. S Lalitha Sree, Director of the Company and pledge of 6,66,000 shares of the promoters exclusively in favour of Axis Bank Ltd. However, pledge of 6,66,000 shares of promoters stood released as on 31.03.2021.

21.3 Term Loans sanctioned under GECL 2.0 of ₹ 2.90 Cr & ₹ 1.79 Cr by State Bank of India & Axis Bank Ltd, respectively are secured by extension of charge / security interest (both primary & collateral) currently secured to the banks for their existing credit facilities on a second ranking basis.

21.4 Government of Andhra Pradesh vide letter No.20/2/6/1369/ID dated 08-10-1996 and letter No.30/1/2002/0300/0300/ FD dated 10-04-2002 had sanctioned sales tax deferment for an amount of ₹ 9,18,54,000/- and ₹ 5,14,50,510/- respectively for a period of 14 years to the Company in respect of Chlorpyrifos plant. The sanction of ₹ 9,18,54,000/- under letter No.20/2/6/1369/ID dated 08-10-1996 has expired its utilization on 28th February, 2010 and sanction of ₹ 5,14,50,510/- 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 ₹ 5,63,16,735/- under the above sanctions. The repayment has commenced and an amount of ₹ 2,66,70,167/- has been paid. However, the deferment amount payable for the years 2019-20 & 2020-21 aggregating to ₹ 56,15,611/- was placed in the form of fixed deposits with banks as per orders of the Honourable High Courts of AP & TG. Thus the liability under sales tax deferment reflected is inclusive of the above deposits.

21.5 Loan availed from Intercorporates have been taken with the repayment period of two years from the date of availing such loan. The Interest is paid at the rate of 10% per annum on the principal outstanding.

21.6 Loan availed from Directors have been taken with the repayment period of two years from the date of availing such loan. The Interest is paid at the rate of 10% per annum on the principal outstanding.

22. OTHER FINANCIAL LIABILITIES

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Other non current liabilities		
Deferred income on government grants	13,722,438	15,247,154
Total	13,722,438	15,247,154

23. PROVISIONS

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Non current provisions		
For Gratuity & Compensated Absence	-	9,648,490
Short Term Provisions		
For Gratuity & Compensated Absence	1,676,188	-
Total	1,676,188	9,648,490





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

24. DEFERRED TAX LIABILITIES (NET)

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Deferred tax assets relating to:		
Unused tax losses/depreciation	-	-
Expenses allowable on payment basis	7,008,969	-
Relating to Ind AS adjustments	-	-
Total deferred tax assets	7,008,969	-
Deferred tax liabilities relating to:		
Accumulated depreciation for tax purposes	157,678,032	-
Relating to Ind AS adjustments	423,830	-
Total deferred tax liabilities	158,101,862	-
Deferred tax Liabilities (Net)	(151,092,893)	-
Add: MAT credit entitlement	135,525,089	-
Total deferred tax liabilities (net)	15,567,804	-

24.1 DEFERRED TAX ASSETS/(LIABILITIES)

For the year ended March 31, 2021

(in ₹)

PARTICULARS	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(134,210,920)	(23,467,112)	-	(157,678,032)
MAT credit Entitlement	91,798,244	43,726,845	-	135,525,090
Unused tax losses/depreciation	57,295,065	(57,295,065)	-	-
Expenses allowed on payment basis	5,371,512	1,637,456	-	7,008,969
Other items giving rise to temporary differences	(3,801,049)	3,882,004	(504,785)	(423,830)
	16,452,853	(31,515,871)	(504,785)	(15,567,804)

25. FINANCIAL LIABILITIES - BORROWINGS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Current Borrowings		
Working capital loans (Secured)		
From State Bank of India	104,839,265	162,745,222
From Axis Bank Ltd	139,047,746	-
From RBL Bank Ltd	16,834,387	-
From ICICI Bank LTD	50,000,000	-
From IDFC First Bank Ltd	-	114,434,230
Bill discounting facilities from banks (Unsecured)		
From Shinhan Bank	53,186,213	10,321,288
From RBL Bank Ltd (Foreign Bill Discounting)	22,755,755	23,189,040
HDFC PGSI CARD	-	5,076,700
Total	386,663,366	315,766,480





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

25.1 Details of Indian Rupee Working Capital Loan from banks are as under:

Name of the Bank	Balance		Effective Interest Rate	
	AS AT 31-03-2021	AS AT 31-03-2020	AS AT 31-03-2021	AS AT 31-03-2020
Loans repayable on demand - Secured				
From State Bank of India	104,839,265	162,745,222	9.50%	9.80%
From Axis Bank Ltd	139,047,746	-	9.25%	-
From RBL Bank Ltd	16,834,387	-	9.05%	-
From ICICI Bank LTD	50,000,000	-	8.15%	-
From IDFC First Bank Ltd	-	114,434,230	-	10.00%
Loans repayable on demand - Unsecured				
From Shinhan Bank	53,186,213	10,321,288	ILC - 6.50% FLC - 2.40%	ILC - 7.70% FLC - 2.40%
From RBL Bank Ltd (Foreign Bill Discounting)	22,755,755	23,189,040	3.80%	5.11%
HDFC PGSI CARD	-	5,076,700	-	10.30%

25.2 Working Capital Facilities :

Working capital facilities extended by State Bank of India, Axis Bank Ltd, RBL Bank Ltd & ICICI Bank Ltd are secured as mentioned below.

1. For Limits sanctioned by SBI, Axis & RBL Banks

i) Primary Security:

Pari Passu first charge on current assets of the Company.

ii) Collateral Security :

Paripassu first charge on movable fixed assets of the Company (both present and future) except vehicles and assets created out of term loans from Axis Bank Ltd and equitable mortgage of the company's factory land and buildings in an extent of 71.68 acres situated at Cheruvukommupalem, Ongole.

Pari Passu Second charge is available to SBI, Axis Bank Ltd & RBL Bank Ltd by way of hypothecation on the movable fixed assets of the Company financed by Axis Bank Ltd.

iii) Personal Guarantee of Sri. S Chandra Sekhar, Managing Director and Smt. S Lalitha Sree Director of the Company.

2. For Limits sanctioned by ICICI Bank Ltd

i) Primary Security:

Second Pari Passu charge on the current assets of the Company.

ii) Collateral Security:

Mortgage of leasehold rights of Industrial Land in Acres 33.90 situated in Kadechur industrial Area (KIADB), Yadgir Dt, Karnataka belonging to Bheema Fine Chemicals Pvt Limited (Wholly owned subsidiary of Bhagiradha Chemicals & Industries Limited); Bheema Fine Chemicals Private Limited is in process of creation of charge in favour of bank.

iii) Personal Guarantee of Sri. S Chandra Sekhar, Managing Director and Smt. S Lalitha Sree Director of the Company.





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

26. TRADE PAYABLES

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Unsecured - considered good:		
Outstanding due to Micro, small & medium enterprises	8,704,834	994,150
Others	468,198,560	240,677,909
Total	476,903,394	241,672,059

26.1 Dues to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

Principal amount remaining unpaid	8,704,834	994,150
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	8,704,834	994,150

26.2 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 2021 has been made in the financial statements based on information received and available with the Company.

27. OTHER FINANCIAL LIABILITIES

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Current Maturities of long term debts		
Term Loan (Secured)		
From Axis Bank Ltd	33,800,000	31,794,868
From State Bank Of India (GECL 2.0)	604,167	-
From Axis Bank Ltd (GECL 2.0)	497,222	-
Other Loans		
Sales tax deferment (Unsecured)	6,219,702	5,615,611
Loan from Intercorporates	298,406	48,493
Loan from directors	1,559,501	1,230,460
Capital Creditors	23,068,327	219,833,018
Deferred income on government grants	1,524,716	1,524,716
Unpaid dividends	237,952	237,952
Other Payables - Expenses	12,944,325	9,703,493
Total	80,754,318	269,988,611





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

27.1 Unpaid dividends will be credited to investors education and protection fund as and when due.

28. OTHER CURRENT LIABILITIES

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Statutory Dues	4,151,570	3,602,240
Total	4,151,570	3,602,240

29. CURRENT TAX LIABILITIES

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Provision for Income tax (Net of Advance tax and TDS/TCS)	894,985	-
	894,985	-

30. REVENUE FROM OPERATIONS

(in ₹)		
PARTICULARS	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Sale of products		
Manufactured products - Domestic	2,459,930,995	996,472,194
Manufactured products - Export	715,183,205	1,355,734,295
Traded Goods - Export	-	64,115,467
Sale of Services		
Other Operating Revenues		
Export Incentives	3,659,852	40,355,587
Scrap Sales	203,000	37,800
Total Revenue from operations	3,178,977,052	2,456,715,343

30.1 Export and other incentives have been recongnized upon realization of export sale proceeds and receipt of duty credit scrip under MEIS Scheme which is replaced by RoDTEP.

(in ₹)		
PARTICULARS	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Manufactured products - Domestic	2,366,917,888	963,841,896
Manufactured products - Export	715,183,205	1,355,734,295
Traded Goods - Sale of Raw Materials	93,013,107	32,630,298

31. OTHER INCOME

(in ₹)		
PARTICULARS	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Interest Income on		
Deposits and Margin money held	2,540,853	2,298,727
Gain on foreign currency transactions & translations	1,637,676	4,886,457
Government Grant amortised	1,524,716	1,524,716
Miscellaneous Income	678,149	7,996,344
Total	6,381,394	16,706,244





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

32. COST OF MATERIAL CONSUMED

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
Raw Material Consumption		
Opening Stock	181,960,347	130,571,128
Add: Purchases	1,932,143,609	1,472,443,408
	2,114,103,956	1,603,014,536
Less: Closing Stock	175,545,630	181,960,347
	1,938,558,326	1,421,054,189
Trading Goods Purchases	-	72,307,585
Packing Material Consumption		
Opening Stock	1,663,059	2,799,685
Add: Purchases	23,008,310	22,737,697
	24,671,369	25,537,382
Less: Closing Stock	2,134,529	1,663,059
	22,536,840	23,874,323
Total	1,961,095,166	1,517,236,097

33. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Opening Stock of inventories		
Work-In-Progress	89,494,277	120,972,227
Finished goods	254,220,025	301,583,894
	343,714,302	422,556,121
Closing Stock of inventories		
Work-In-Progress	93,848,291	89,494,277
Finished goods	202,336,625	254,220,025
	296,184,916	343,714,302
Increase/(Decrease) in inventories of finished goods and work-in-progress	47,529,386	78,841,819

34. EMPLOYEE BENEFITS EXPENSES

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Salaries & Wages	147,697,448	150,912,223
Directors' Remuneration & Commission	15,000,000	10,702,123
CEO Commission	2,346,419	650,708
Contribution to provident fund & other funds	10,905,034	10,689,019
Gratuity Expenses	2,594,990	2,471,650
Compensated absence	2,166,174	1,745,970
Staff Welfare Expenses	13,509,923	11,763,503
Total	194,219,988	188,935,196





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

35. FINANCE COST

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Interest on term loan	11,009,327	9,853,728
Interest on working capital loan	21,424,496	19,874,101
Interest to others	14,305,947	10,276,860
Interest on financial liabilities recognised on amortised cost	1,674,894	1,912,639
Bank Charges & Processing Fee	8,268,883	6,318,104
Cash Discount	25,958,227	6,610,778
Total	82,641,774	54,846,209

36. OTHER EXPENSES

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
Manufacturing Expenses		
Consumption of stores, spares & consumables	78,076,283	73,252,206
Power and Fuel	244,700,282	181,748,493
Insurance	11,422,971	13,920,601
Effluent treatment expenses	34,919,558	36,540,975
Freight Inwards	716,618	670,004
Water Transport Charges	4,822,200	6,615,000
Testing and Lab charges	1,155,040	399,108
Factory maintenance	8,592,112	14,941,289
Repairs & maintenance		
Plant and machinery	18,196,344	19,287,150
Buildings	18,491,735	16,537,076
Others	1,568,167	1,467,371
	422,661,310	365,379,273
Administration, Selling and Other Expenses		
Rent	1,800,000	1,800,000
Rates and taxes	4,396,313	2,027,829
Research & Development expenses	11,559,186	11,514,922
Printing and stationery	1,809,337	1,406,937
Consultancy and other professional charges	10,754,164	11,048,258
Remuneration to auditors		
-Audit Fee	800,000	600,000
-Other services	-	-
-Out of pocket expenses	-	-
Tax audit fee	100,000	100,000
Remuneration to cost auditors	100,000	100,000
Remuneration to Internal Auditors	250,000	200,000
Travelling and conveyance	904,600	3,169,278
Communication expenses	1,160,843	1,345,152
Vehicle Maintenance	2,979,047	3,396,713
Other selling expenses	27,640,800	84,967,972
Miscellaneous Expenses	19,186,831	15,381,034
	83,441,121	137,058,095
Total	506,102,431	502,437,368





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

37. Details of Expenses on Corporate Social Responsibility Activities

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Amount required to be spent by the Company during the year	2,153,022	1,734,872
Amount of expenditure incurred	2,587,326	2,084,224
Shortfall at the end of the year	-	-

Nature of CSR activities- For promotion of Healthcare, Environmental Sustainability & Education.

As Per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2021 was ₹ 21,53,022/- Computed at 2% of its average net profits for the immediately preceding three financial years, on Corporate Social Responsibility (CSR). The Company spent an amount of ₹ 25,87,326/- against this obligation for promotion of Healthcare, Environmental Sustainability & Education.

38. Exceptional Item - Insurance Claim :

During the course of operations, a fire accident occurred in one of the production blocks on 20-05-2017. Part of the Civil structures, Plant and Electrical Equipment worth ₹ 9.71 crores got damaged. The Company lodged a claim under the reinstatement policy for ₹ 12.41 crores towards the damages and the insurance company paid ₹ 5.18 crores on adhoc basis in the year 2017-18. The Company accounted loss as per Ind AS 16, ("Property, Plant and Equipment") Ind AS 36 ("Impairment of Assets"), net of adhoc amount released by the insurance company. An amount of ₹ 0.65 crores was received by the Company through the sale proceeds of salvage material in the year 2019-20. An amount of ₹ 1.05 Cr was received on 11.12.2020 as full & final settlement under the reinstatement policy for Civil structures, Plant and Electrical Equipment which was disclosed as Income from Insurance claim as exceptional item.

39. TAXES

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
a. Income Tax Expense recognised in the Statement of Profit & Loss:		
Current Tax	56,715,252	14,071,085
Adjustment for MAT	(43,726,845)	(14,071,085)
Deferred tax Charge/(Credit)	75,242,717	22,181,249
Earlier years Tax	-	1,975,224
Total Income tax Expenses recognised in statement of profit & loss	88,231,123	24,156,473
Net (gain)/ loss on Measurement of Defined Benefit plan net of Deferred tax Charged/(Credit) to OCI	1,228,681	(3,557,653)
b. Reconciliation of effective tax rate:		
Profit before tax (A)	322,873,058	89,227,237
Enacted tax rate in India (B)	27.82%	27.82%
Expected Tax Expenses (C=A*B)	89,823,285	24,823,017
Adjustments for permanent difference:		
Weighted deduction U/s 35 (2AB) under the Income Tax Act, 1961	(1,284,360)	(9,756,053)
Expenses not deductible for tax purpose	2,365,410	4,603,870
Tax due to change in tax rate	(734,502)	3,756,821
Others	(6,069,630)	(1,000,555)
Total	(5,723,082)	(2,395,918)
Profit after adjusting permanent difference	317,149,976	86,831,320
Expected Tax expenses	88,231,123	24,156,473
Total Tax expense	88,231,123	24,156,473





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

40. Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Retained Earnings:		
Remeasurement costs on net defined benefit liability	1,733,466	(4,928,863)
Deferred tax effect on remeasurement costs on net defined benefit liability	(504,785)	1,371,210
Total	1,228,681	(3,557,653)

41. EARNINGS PER SHARE

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.

41.2 The Basic and diluted EPS per share is given hereunder

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
Profit / (Loss) as per Profit and Loss Account ₹	234,641,935	65,070,765
Net Profit / (Loss) attributable to Equity Share holders ₹	234,641,935	65,070,765
Equity Shares outstanding at the beginning of the year Nos.	8,309,700	8,309,700
Equity Shares outstanding at the close of the year Nos.	8,309,700	8,309,700
Weighted average No of equity shares in computing basic EPS Nos.	8,309,700	8,309,700
Add : Share Warrants Nos.	-	-
Weighted Average number of Equity Shares in computing diluted earnings per share Nos.	8,309,700	8,309,700
Face value of each equity share ₹	10	10
Earnings per share		
- Basic (₹) ₹	28.24	7.83
- Diluted (₹) ₹	28.24	7.83

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:





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

(in ₹)

PARTICULARS	March 31, 2021	March 31, 2020
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	2,479,653	2,486,856
Interest cost	115,337	(15,206)
Expected return on plan assets	-	-
Net actuarial(gain) / loss recognised in the period/ year	(526,787)	1,256,731
Benefits paid	160,077	128,698
Net employee benefit expenses	2,228,280	3,857,079
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	27,194,181	25,710,706
Fair value of plan assets	27,372,493	20,252,013
	(178,312)	5,458,693
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	25,710,706	19,070,505
Current service cost	2,479,653	2,486,856
Interest cost	1,675,414	1,445,533
Benefits paid	(1,779,520)	(349,302)
Remeasurement due to financial assumptions	(365,285)	1,800,383
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	(526,787)	1,256,731
Closing defined benefit obligation	27,194,181	25,710,706
D) Change in the fair value of plan assets		
Opening fair value of plan assets	20,252,014	19,269,275
Interest Income on Planned assets	1,560,077	1,460,739
Contributions	7,500,000	-
Benefits paid	(1,779,520)	(349,302)
Actuarial gain/(loss) on plan assets	(160,077)	(128,698)
Closing fair value of plan assets	27,372,494	20,252,014
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) on plan liabilities	(526,787)	1,256,731
Experience loss/ (gain) on plan assets	-	-
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

(in ₹)

PARTICULARS	March 31, 2021	March 31, 2020
Remeasurement gains/(losses) recognised in other comprehensive income:	(526,787)	1,256,731
i) The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Discount rate	6.92%	6.75%
Expected rate of return on assets	0.00%	0.00%
Salary rise	4.00%	4.00%
Attrition Rate	3.00%	3.00%
The estimates of future salary increases considered in the actuarial valuation, take in to account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
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	27,194,181	25,710,706
Plan assets	27,372,494	20,252,014
Surplus / (deficit)	(178,313)	5,458,692

42.2 Leave Encashment

Defined Benefit Plans

(in ₹)

	March 31, 2021	March 31, 2020
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	2,001,488	1,689,744
Interest cost	1,137,981	994,070
Expected return on plan assets	-	-
Net actuarial(gain) / loss recognised in the period/ year	(895,957)	584,669
Benefits paid	(1,078,811)	220,539
Net employee benefit expenses	1,164,701	3,489,022
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	18,584,365	17,153,289
Fair value of plan assets	16,729,866	12,963,491
	1,854,499	4,189,798
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	17,153,289	13,177,851
Current service cost	2,001,488	1,689,744
Interest cost	1,137,981	994,070
Benefits paid	(588,625)	(366,935)





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

(in ₹)

	March 31, 2021	March 31, 2020
Remeasurement due to financial assumptions	(223,811)	1,073,890
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	(895,957)	584,669
Closing defined benefit obligation	18,584,365	17,153,289
D) Change in the fair value of plan assets		
Opening fair value of plan assets	12,963,491	12,408,663
Expected return on plan assets	(118,294)	(84,493)
Contributions	4,473,294	1,006,255
Benefits paid	(588,625)	(366,934)
Actuarial gain/(loss) on plan assets	-	-
Closing fair value of plan assets	16,729,866	12,963,491
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) on plan liabilities	(895,957)	584,669
Experience loss/ (gain) on plan assets	-	-
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	(895,957)	584,669
i) The principal assumptions used in determining Leave Encashment for the Company's plans are shown below:		
Discount rate	6.92%	6.75%
Expected rate of return on assets	0.00%	0.00%
Salary rise	4.00%	4.00%
Attrition Rate	3.00%	3.00%

The estimates of future salary increases considered in the actuarial valuation, take in to account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

42.3 Defined Contribution Plan

(in ₹)

PARTICULARS	March 31, 2021	March 31, 2020
Contribution to Provident Fund	9,556,275	9,282,233
Contribution to Superannuation Fund	-	-





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

43. COMMITMENTS & CONTINGENCIES

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
a Commitments:		
Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	3,629,507	8,890,563
Total	3,629,507	8,890,563
b. Contingent Liabilities:		
i) Outstanding bank guarantees	1,000,000	10,000,000
ii) Letters of Credit	24,883,219	36,706,782
Total	25,883,219	46,706,782

44. During the year 2018-19, Company paid ₹ 26,20,646/- and ₹ 13,71,404/- 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 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 yet to be disposed. Hence, no provision is made in the books of the Company.

45. SEGMENT REPORTING :

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

46. PAYMENTS TO AUDITORS (excluding GST & Service Tax)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
A) Statutory auditors		
Statutory audit	800,000	600,000
Tax audit fees	-	-
Others	-	-
Reimbursement of expenses	-	-
	800,000	600,000
B) Cost auditors		
Audit fee	100,000	100,000
Filing fee	5,000	5,000
Reimbursement of expenses	-	1,500
	105,000	106,500





Notes Forming Part of the Standalone Financial Statements

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47. RESEARCH AND DEVELOPMENT

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Details of expenditure on R & D		
i) Details of Revenue expenditure		
Cost of Materials Consumed		
Laboratory Expenses and Consumables	6,514,941	4,972,241
Employee Benefits Expenses		
Salaries, Wages and Bonuses	5,044,245	6,505,226
Other Expenses		
Repairs and Maintenance	-	37,455
ii) Capital Expenditure		
Plant & Machinery	1,284,360	2,665,728
Building related material	-	-
	12,843,546	14,180,650

48. Incorporation of wholly owned Subsidiary Company:

During the year, Bheema Fine Chemicals Private Limited was incorporated on 22nd July, 2020 in Hyderabad (Telangana) with 100% of its share capital being owned by Bhagiradha Chemicals & Industries Limited. It is proposed to set-up a new plant to manufacture Agrochemicals & their intermediates in Kadechur Industrial Area, Yadgir Dist., Karnataka, developed by Karnataka Industrial Area Development Board.

49. Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Subsidiary	
Bheema Fine Chemicals Private Limited	Wholly owned subsidiary Company (Incorporated on 22.07.2020)
Enterprises under the significant influence of persons having significant influence over this company	
Agnova Chemicals Pvt Ltd	Sri Ketan Chamanlal Budh, Whole Time Director, is interested.
VNA Express & Logistic Solutions	Sri Ketan Chamanlal Budh, Whole Time Director, is interested.
Enterprises under the control of persons having significant influence over this company	
Greenpath Energy Private Limited	Sri S. Chandra Sekhar & Smt S. Lalitha Sree Directors, are interested.
Key Management Personnel	
Sri K S Raju	Chairman
Sri S Chandra Sekhar	Managing Director





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FOR THE YEAR ENDED 31ST MARCH, 2021

Name of the related party	Relationship
Sri Sudhakar Kudva	Independent Director
Sri D Sadasivudu	Director
Smt S Lalitha Sree	Director
Sri GSV Krishna Rao	Independent Director
Smt A Lakshmi Sowjanya	Independent Director (Up to 09-09-2020)
Sri Kishor Shah	Independent Director (w.e.f 14-09-2020)
Dr G Aruna	Independent Director (w.e.f 04-12-2020)
Sri Ketan Chamanal Budh	Whole Time Director
Sri A Arvind Kumar	Chief Executive Officer
Sri B Krishna Mohan Rao	Chief Financial Officer
Smt B N Suvarchala	Company Secretary (Up to 19.10.2020)
Smt Saheli Banerjee	Company Secretary (w.e.f 05-11-2020)

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

Transactions during the year:

(in ₹)		
PARTICULARS	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
a) Subsidiary Company		
Bheema Fine Chemicals Private Limited		
Loans given during the year to the enterprise	157,730,749	-
Loans repaid during the year from the enterprise	157,730,749	-
Amount paid towards Shares allotment	80,100,000	-
b) Enterprises under the significant influence of persons having significant influence over this company		
Sales of Finished Goods (Including duties and taxes)		
Agnova Chemicals Pvt Ltd	6,740,938	13,876,800
Purchase of Goods / Services (Including duties and taxes)		
Agnova Chemicals Pvt Ltd	2,755,890	-
VNA Express & Logistic Solutions	928,673	32,599,986
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	20,000,000	1,500,000
Loans repaid during the year to the enterprise	50,000	4,850
Interest on Loans paid to the enterprise	338,626	48,493





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
d) Key Management Personnel		
i) Sri S Chandra Sekhar		
Remuneration including commission	12,826,000	8,384,123
Unsecured loans taken from him	8,200,000	54,500,000
Unsecured loans Repaid to him	24,016,836	15,505,485
Interest on Unsecured loans paid to him	4,150,757	1,535,945
ii) Sri K S Raju		
Sitting Fees	120,000	70,000
iii) Sri Sudhakar Kudva		
Sitting Fees	200,000	155,000
iv) Sri D Sadasivudu		
Sitting Fee	110,000	95,000
v) Smt S Lalitha Sree		
Sitting Fee	120,000	95,000
vi) Sri GSV Krishna Rao		
Sitting Fee	180,000	145,000
vii) Smt A Lakshmi Sowjanya		
Sitting Fee	25,000	25,000
viii) Sri Kishor Shah		
Sitting Fee	70,000	-
ix) Dr G Aruna		
Sitting Fee	35,000	-
x) Sri Ketan Chamanlal Budh		
Remuneration	2,948,000	3,127,928
xi) Sri A Arvind Kumar		
Remuneration (Including commission)	6,893,451	5,452,988
xii) Sri B Krishna Mohan Rao		
Remuneration	2,705,504	2,709,198
xiii) Smt Saheli Banerjee		
Remuneration	423,613	-
xiv) Smt B N Suvarchala		
Remuneration	430,092	896,136





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

Closing Balances

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
a) Investments in Subsidiary		
Bheema Fine Chemicals Private Limited	80,100,000	-
b) Enterprises under the Control of persons having significant influence over this company		
Greenpath Energy Private Limited		
Unsecured loans payable	21,798,406	1,543,643
c) Key Management Personnel		
i) Sri S Chandra Sekhar		
Unsecured loans payable	28,864,381	40,530,460
Remuneration payable	-	-
Commission Payable	4,250,000	1,952,123
Guarantee given for borrowings	429,658,414	369,904,814
ii) Sri A Arvind Kumar		
Commission Payable	2,346,419	650,708
iii) Agnova Chemicals Pvt Ltd	-	8,622,800
iv) VNA Express & Logistic Solutions	-	1,675,553

In compliance with Ind AS - 27: "Separate financial statements", The required information is as under:

SUBSIDIARIES	COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	
		FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
Bheema Fine Chemicals Private Limited	India	100%	0

50. FAIR VALUES

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

Particulars	Carrying value		Fair value	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Financial assets at fair value through profit & loss				
Investments	80,100,000	-	-	-
Financial Assets at amortised cost				
Loans	22,492,624	22,442,624	-	-
Deposits & Others	25,367,865	6,666,583	-	-
Trade Receivables	596,578,174	114,925,818	-	-
Cash & Cash Equivalents	3,187,323	27,489,321	-	-
Bank Balances other than above	2,609,190	9,724,515	-	-
Financial Liabilities at amortised cost				
Borrowings (Non Current & Current)	619,977,222	427,448,897	18,423,827	16,748,933
Interest accrued	1,524,716	1,524,716	-	-
Trade Payables	476,903,394	241,672,059	-	-
Capital Creditors & Others	23,068,327	219,833,018	-	-





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

51. 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.

51.1 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	(in ₹)	
	March 31, 2021	March 31, 2020
Not Due		
0 - 90 Days	515,276,427	89,153,591
90 - 180 Days	68,813,703	4,177,396
180 - 270 Days	11,328,000	14,544,367
270 - 365 Days	-	521,872
More than 360 Days	1,160,044	6,528,682
	596,578,174	114,925,908





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

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 ₹ 31,87,323 at March 31, 2021 (March 31, 2020: ₹ 2,74,89,321). This includes the cash and cash equivalents held with the bank and the cash on hand with the Company.

51.2 Liquidity Risk

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

The Company has obtained fund and non-fund based working capital loan from bank. The borrowed funds are generally applied for Company's own operational activities.

Exposure to liquidity risk:

a) The following are the remaining contractual maturities of financial liabilities at the reporting date.

The amounts are gross and undiscounted :

(in ₹)

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-21					
Non Current Borrowings (Including current maturities)	51,874,562	126,996,269	60,980,263	15,903,767	255,754,861
Current Borrowings	386,663,366	-	-	-	386,663,366
Interest Payable	1,524,716	-	-	-	1,524,716
Trade Payables	476,903,394	-	-	-	476,903,394
Other Payables	23,068,327	-	-	-	23,068,327
	940,034,365	126,996,269	60,980,263	15,903,767	1,143,914,664

(in ₹)

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-20					
Non Current Borrowings (Including current maturities)	38,689,432	69,898,951	1,366,855	15,903,767	125,859,005
Current Borrowings	315,766,480	-	-	-	315,766,480
Interest Payable	1,524,716	-	-	-	1,524,716
Trade Payables	241,672,059	-	-	-	241,672,059
Other Payables	219,833,018	-	-	-	219,833,018
	817,485,705	69,898,951	1,366,855	15,903,767	904,655,278

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





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

the company's long term debt obligations with floating interest rates. The company's interest rate exposure is mainly related to variable interest rates debt obligations. The Company manages the liquidity and fund requirements for its day to day operations like working capital, suppliers/buyers credit.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(in ₹)		
Particulars	March 31, 2021	March 31, 2020
Floating rate instruments		
Financial Liabilities - measured at amortised cost		
Term loan from banks	166,085,149	54,138,334
Working capital facilities from bank	310,721,398	277,179,452
Bills Discounting	75,941,968	33,510,328
Credit Card Dues	-	5,076,700
Fixed rate instruments		
Loan from intercorporates (Unsecured)	21,798,406	1,543,643
Loan from Directors (Unsecured)	28,864,381	40,530,460
Total	603,411,302	411,978,917

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.

(in ₹)		
Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
31-Mar-21		
Variable rate loan instruments	1,508,528	(1,508,528)
31-Mar-20		
Variable rate loan instruments	1,029,947	(1,029,947)

51.3 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





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

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, 2021 & March 31, 2020 are in Indian Rupees.

PARTICULARS	(in ₹)	
	March 31, 2021 USD	March 31, 2020 USD
Financial Assets		
Cash & Cash equivalents	380,720	592,895
Trade & Other Receivables	27,100,415	70,755,552
	27,481,134	71,348,447
Financial Liabilities		
Trade & Other Payables	122,855,323	35,986,274
Advance from Customers	-	-
	122,855,323	35,986,274
Net Exposure	(95,374,189)	35,362,173

PARTICULARS	(in ₹)	
	March 31, 2021 GBP	March 31, 2020 GBP
Financial Assets		
Cash & Cash equivalents	-	-
Trade & Other Receivables	-	-
	-	-
Financial Liabilities		
Trade & Other Payables	-	15,661,669
Advance from Customers	-	-
	-	15,661,669
Net Exposure	-	(15,661,669)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars and Pounds at March 31 would have affected the measurement of financial instruments denominated in US dollars and Pounds and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

31-Mar-21		(in ₹)			
Effect in INR	Profit or loss		Equity, net of tax		
	Strengthening	Weakening	Strengthening	Weakening	
1% movement					
USD	(953,742)	953,742	-	-	
GBP	-	-	-	-	
	(953,742)	953,742	-	-	





Notes Forming Part of the Standalone Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

31-Mar-20				(in ₹)	
Effect in INR	Profit or loss		Equity, net of tax		
	Strengthening	Weakening	Strengthening	Weakening	
1% movement					
USD	353,622	(353,622)	-	-	
GBP	(156,617)	156,617	-	-	
	197,005	(197,005)	-	-	

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.

52. 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	(in ₹)	
	March 31, 2021	March 31, 2020
Non Current borrowings	192,192,765	74,271,938
Current borrowings	386,663,366	315,766,480
Current maturities of long term debts	44,503,714	40,214,148
Total Debts	623,359,845	430,252,566
Less: Cash & Cash equivalents	3,187,323	27,489,321
Other bank deposits	2,609,190	9,724,515
Adjusted net debts	617,563,332	393,038,730
Equity	83,342,500	83,342,500
Other Equity	1,474,977,685	1,239,107,069
Total Equity	1,558,320,185	1,322,449,569
Adjusted net debt to equity ratio	0.40	0.30

53. Figures of the Previous year are regrouped / reclassified wherever considered necessary and rounded off to the nearest rupee.

As per our report of even date

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

Place : Hyderabad
Date : 04.05.2021

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

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

Saheli Banerjee
Company Secretary





Independent Auditor's Report

To
The Members
of Bhagiradha Chemicals & Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Bhagiradha Chemicals & Industries Limited** (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, 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, 2021 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in

equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No	Key Audit Matter	Auditor's Response
1	Net Realisable value of Finished Goods Finished goods inventory are valued at lower of cost or net realizable value. Considering that there is always a volatility in the Selling price of the Agro-Chemicals, which is dependent upon various market conditions, determination of net realizable value for these chemicals involves significant management judgement and therefore has been considered as a key audit matter. The total value of finished goods (Agro chemicals) as at 31st March, 2021 is ₹ 20,23,36,625/- which is in accordance with the accounting policies referred to in Note no. 2.10(c).	1. Evaluated the design of internal controls relating to the management judgments and estimates relating to quantity, purity, fair value less costs to sell and also tested the operating effectiveness of the aforesaid controls. 2. Obtained an understanding of the significant management judgements applied in determination of the quantity, purity and their fair value and assessed and tested the reasonableness of these judgements. 3. Obtained the market information for the fair values and compare them with the rates considered by the management in determining the fair values. 4. Assessed the appropriateness of the disclosure in the financial statements in accordance with the applicable financial reporting framework.





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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.





Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate

with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Boards of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the





operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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

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

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

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

For S Singhvi & Co.

Chartered Accountants
Firm Regi. No. 003872S

Shailendra Singhvi

Proprietor

Place : Hyderabad

Dated : 04.05.2021

Membership No.023125/ICAI

UDIN No. : 21023125AAAABA7741





Annexure “A” to the Independent Auditor’s Report of Even Date on the 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, 2021, we have audited the internal financial controls over financial reporting of **Bhagiradha Chemicals & Industries Limited** (hereinafter referred to as the “Company”) and its subsidiary companies, incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”) and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and





expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For S Singhvi & Co.

Chartered Accountants
Firm Regi. No. 003872S

Shailendra Singhvi

Proprietor

Place : Hyderabad

Dated : 04.05.2021

Membership No.023125/ICAI

UDIN No. : 21023125AAAABA7741





Consolidated Balance Sheet

AS AT 31ST MARCH, 2021

		(in ₹)	
PARTICULARS	NOTE	AS AT 31-03-2021	AS AT 31-03-2020
ASSETS			
Non-current assets			
Property, Plant & Equipment	3	1,518,816,792	1,382,362,705
Right of use assets	4	2,246,492	-
Capital Work in Progress	5	15,779,219	31,045,526
Intangible Assets	6	2,707,821	464,521
Intangible Assets under development	7	1,702,076	5,128,076
Financial Assets			
Investments	8	-	-
Loans	9	22,492,624	22,442,624
Deposits & Others	10	23,976,297	4,750,816
Deferred tax assets (Net)	11	-	16,452,853
Other Non Current Assets	12	3,132,222	4,299,012
Total Non Current Assets		1,590,853,543	1,466,946,133
Current assets			
Inventories	13	503,754,423	562,541,183
Financial Assets			
Trade receivables	14	596,578,174	114,925,818
Cash and cash equivalents	15	3,507,909	27,489,321
Other bank balances	16	2,609,190	9,724,515
Deposits & Others	17	1,943,584	1,915,767
Current Tax Assets (Net)	18	1,533,815	1,533,815
Other Current Assets	19	30,953,675	67,569,990
Total Current Assets		1,140,880,770	785,700,409
Total Assets		2,731,734,313	2,252,646,541
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	20	83,342,500	83,342,500
Other Equity	21	1,473,523,738	1,239,107,069
Total Equity		1,556,866,238	1,322,449,569
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	22	192,192,765	74,271,938
Other Financial Liabilities	23	15,878,078	15,247,154
Provisions	24	-	9,648,490
Deferred tax Liabilities (Net)	25	15,567,804	-
Total Non Current Liabilities		223,638,648	99,167,582
Current Liabilities			
Financial Liabilities			
Borrowings	26	386,663,366	315,766,480
Trade payables	27	476,903,394	241,672,059
Other Financial Liabilities	28	80,936,174	269,988,611
Other current liabilities	29	4,155,320	3,602,240
Provisions	24	1,676,188	-
Current Tax Liabilities	30	894,985	-
Total Current Liabilities		951,229,427	831,029,390
Total Liabilities		1,174,868,075	930,196,972
Total Equity & Liabilities		2,731,734,313	2,252,646,541
Summary of Significant Accounting Policies	1 to 2		

The accompanying notes are an integral part of the standalone financial statements 3 to 54

As per our report of even date

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

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 04.05.2021

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

Saheli Banerjee
Company Secretary





Consolidated Statement of Profit & Loss

FOR THE YEAR ENDED 31ST MARCH, 2021

			(in ₹)	
Sl. No.	PARTICULARS	NOTE	FOR THE YEAR ENDED MARCH 31, 2021	FOR THE YEAR ENDED MARCH 31, 2020
I.	Income:			
	Revenue from Operations	31	3,178,977,052	2,456,715,343
	Other Income	32	6,381,394	16,706,244
	Total Revenue (I)		3,185,358,446	2,473,421,587
II.	Expenses:			
	Cost of Materials Consumed	33	1,961,095,166	1,517,236,097
	Change in inventories of finished goods and Work in progress	34	47,529,386	78,841,819
	Employee benefits expense	35	194,273,988	188,935,196
	Financial costs	36	82,705,570	54,846,209
	Depreciation expense	3	81,652,939	66,601,877
	Other expenses	37	507,222,483	502,437,368
	Total Expenses (II)		2,874,479,532	2,408,898,566
III.	Profit/(Loss) Before Exceptional Items and Tax (I-II)		310,878,914	64,523,021
	Exceptional Items	39	10,540,197	24,704,216
IV.	Profit/(Loss) After Exceptional Items and Before Tax		321,419,111	89,227,237
V.	Tax expense:	40		
	Current tax		56,715,252	14,071,085
	MAT Credit Entitlement		(43,726,845)	(14,071,085)
	Deferred tax charge/ (credit)		75,242,717	22,181,249
	Earlier years Tax		-	1,975,224
			88,231,123	24,156,473
VI.	Profit/(Loss) for the year		233,187,988	65,070,765
	Other Comprehensive Income	41		
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
	Remeasurement on employees defined benefit plan		1,733,466	(4,928,863)
	Deferred tax credit on above		(504,785)	1,371,210
	Total other Comprehensive Income, net of tax		1,228,681	(3,557,653)
	Total Comprehensive Income, net of tax		234,416,669	61,513,112
	Earning per equity share of ₹ 10/- each fully paid:	42		
	Basic (₹)		28.06	7.83
	Diluted (₹)		28.06	7.83
	Summary of Significant Accounting Policies	1 to 2		

The accompanying notes are an integral part of the standalone financial statements 3 to 54

As per our report of even date

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

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 04.05.2021

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

Saheli Banerjee
Company Secretary





Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	(in ₹)	
	AS AT 31-03-2021	AS AT 31-03-2020
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit Before Tax	321,419,111	89,227,237
Adjustments for :		
Depreciation	81,652,939	66,601,877
Loss on sale of fixed assets	2,813,026	-
Interest Paid	48,414,664	41,917,327
Interest income & Notional Income	(4,065,569)	(3,823,443)
Provision for bad & doubtful debts	337,363	57,348
Exchange Differences on translation of assets & liabilities	(1,728,388)	(4,886,457)
Gratuity & Compensated absence	4,761,164	4,217,620
Operating profit before working capital changes	453,604,310	193,311,510
Adjustments for movement in working capital :		
(Increase)/Decrease in Inventories	58,786,760	12,603,279
(Increase)/Decrease in Trade Receivables	(481,652,356)	727,381,484
(Increase)/Decrease in Other Financial & Non Financial Assets	25,595,133	64,248,884
Increase/(Decrease) in Trade Payables	235,231,335	(583,343,678)
Increase/(Decrease) in Other Financial, non financial liabilities & provisions	(194,242,869)	99,569,267
Cash generated from operations	97,322,312	513,770,745
Direct taxes paid (Net of refund)	(55,914,584)	(32,170,126)
Net cash flow from operating activities (A)	41,407,728	481,600,619
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipments (Tangible & Intangible)	(213,960,327)	(388,299,563)
Proceeds from sale of property, plant & equipments	3,816,790	-
Investments in Subsidiary Company	-	-
Interest received	2,540,853	2,298,727
Net cash flow used in investing activities (B)	(207,602,684)	(386,000,836)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds/(Repayment) of long term borrowings (Net)	117,920,827	7,622,880
Proceeds/(Repayment) of short term borrowings (Net)	70,896,886	(38,807,641)
Dividend Paid	-	(20,035,569)
Interest paid	(46,604,170)	(40,004,688)
Net cash used in financing activities (C)	142,213,544	(91,225,019)
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	(23,981,412)	4,374,764
Cash and cash equivalents at the beginning of the year	27,251,369	22,876,605
Cash and cash equivalents at end of the year	3,269,957	27,251,369
Cash and cash equivalents include		
Cash on hand	141,539	169,401
Balances with banks in current accounts	3,128,418	27,081,968

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

As per our report of even date

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

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 04.05.2021

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

Saheli Banerjee
Company Secretary





Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31ST MARCH, 2021

a Equity Share Capital

PARTICULARS	AS AT 31.03.2021		AS AT 31.03.2020	
	Number of shares	Amount In ₹	Number of shares	Amount In ₹
As at April 01, 2020	8,309,700	83,097,000	8,309,700	83,097,000
Add: Forfeited Shares (amount originally paid up)	-	245,500	-	245,500
Add: Issued during the year	-	-	-	-
As at March 31, 2021	8,309,700	83,342,500	8,309,700	83,342,500

b Other Equity

PARTICULARS	(in ₹)			
	Security Premium Reserve	General Reserve	Retained Earnings	Total
As at April 01, 2019	552,476,000	90,273,859	554,879,668	1,197,629,527
Add: Profit for the year	-	-	65,070,765	65,070,765
Add: Issued during the year	-	-	-	-
Less : Equity Dividend (₹ 2/ per equity Share)			(16,619,400)	(16,619,400)
Less : Corporate Tax on Equity Dividend			(3,416,169)	(3,416,169)
Add: Other Comprehensive Income for the year :				
Remeasurement of employees defined benefit plans	-	-	(4,928,863)	(4,928,863)
Deferred tax on above	-	-	1,371,210	1,371,210
As at March 31, 2020	552,476,000	90,273,859	596,357,210	1,239,107,069
As at April 01, 2020	552,476,000	90,273,859	596,357,210	1,239,107,069
Add: Profit for the year	-	-	233,187,988	233,187,988
Remeasurement of employees defined benefit plans	-	-	1,733,466	1,733,466
Deferred tax on above	-	-	(504,785)	(504,785)
As at March 31, 2021	552,476,000	90,273,859	830,773,879	1,473,523,738

As per our report of even date

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

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

Shailendra Singhvi
Proprietor
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K S Raju
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S Chandra Sekhar
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Place : Hyderabad
Date : 04.05.2021

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

Saheli Banerjee
Company Secretary





Notes to Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

1. OVERVIEW OF THE COMPANY

Bhagiradha Chemicals & Industries Limited (herein referred to as 'the Parent Company' or the 'the Company') together with its subsidiaries (together referred to as 'the Group') carries on the business of manufacturing and sales of Agro Chemicals. It is incorporated under the Companies Act and its shares are listed on the Bombay Stock Exchange. The registered office of the Company is at 8-2-269/3/A, Plot No 3, Sagar Society, Road No 2, Banjara Hills, Hyderabad - 500 034 (TS)

PRINCIPLES OF CONSOLIDATION

1.1 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.

1.2 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 & Industries Limited
Country of incorporation	India
% age voting power held as at 31 March 2021	100%
% age voting power held as at 31 March 2020	N.A

1.3 Non Controlling Interests

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.

1.4 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.





Notes to Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

1.5 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated.

2. SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation & compliance with IND AS

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

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

2.2 Uses of Estimates & judgments

The preparation of 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 consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the consolidated financial statements and reviewed on an ongoing basis. Actual results may differ from the estimates and assumptions used in preparing the accompanying consolidated financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

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

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

- Level 1 - Quoted price (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted price included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)





Notes to Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

- Level 3 - Inputs for the asset or liability that is not based on observable market data (unobservable inputs)

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

2.4 Property, Plant and Equipment and Depreciation

- a) Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.
- b) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.
- c) Capital work-in-progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.
- d) Expenditure during construction period: Expenditure (direct & indirect) incurred during the construction period which are attributable to acquisition / construction of fixed assets, will be capitalized with the respective Plant, Property & Equipment at the time of commissioning of such assets.

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

Building	30 - 60 Years
Plant and equipment	20 - 25 Years
Plant and equipment - R & D	10 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computer and data processing equipment	3 Years

- f) Leasehold improvements and leasehold land are amortized over the lease term except for lease hold land acquired under perpetual lease.
- g) Depreciation on tangible fixed assets (property, plant and equipment) has been provided on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use. Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate.
- h) Items of fixed assets that are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately under other current assets in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.
- i) An item of property, plant and equipment is eliminated from the 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 consolidated 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.





Notes to Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

- c) In respect of Intangible fixed assets amortised on straight line basis - Technical know how @ 5.28 % p.a., computer software over a period of useful life of 3 years and product development expenses are to be amortised over a period of their useful life of 4 years.
- d) An intangible asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal of fixed assets carried at cost are recognised in the Statement of Profit and Loss.

2.6 Impairment of Property, Plant and Equipment

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

2.7 Borrowing Costs

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

2.8 Research and Development Cost

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

2.9 Non Current Assets held for Sale

Non-current assets are classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through

continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised as profit or loss. Once classified as held-for-sale they are no longer amortised or depreciated.

2.10 Inventories

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

2.11 Cash and Cash Equivalents

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

2.12 Cash Flow Statement

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





Notes to Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

2.13 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 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.

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





Notes to Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

receivable, net of returns and allowances, trade discounts and volume rebates.

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

2.15 Income Tax

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

a) Current Tax

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

b) Deferred Tax

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

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

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

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

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

Deferred tax assets and liabilities are offset only if: a) The entity has a legally





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FOR THE YEAR ENDED 31ST MARCH, 2021

enforceable right to set off current tax assets against current tax liabilities; and b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

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

c) Minimum Alternate Tax

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

2.16 Employee Benefits

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

I. Defined contribution plans

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

II. Defined benefit plans

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





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FOR THE YEAR ENDED 31ST MARCH, 2021

of leave available over and above the maximum accumulation allowed as per the company's policy.

2.17 Foreign Currency Transactions

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

2.18 Provisions and Contingencies

- a) A provision is recognised, if, as a result of a past event, the 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 disclosure is made.

2.19 Government Grants

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

2.20 Earnings per Share

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

2.21 Operating Cycles

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

2.22 Dividend

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





Notes to Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

2.23 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 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.





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3. PROPERTY, PLANT & EQUIPMENT

Particulars	Freehold land	Lease Hold Land	Buildings	Plant and equipment	Electrical Installations	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total Property, plant and equipment
Gross carrying value										(in ₹)
Balance as at April 01, 2019	27,182,917	-	184,798,602	1,174,107,557	113,682,846	3,380,186	4,632,389	3,687,192	6,316,249	1,517,787,938
Additions	19,405,070	-	14,714,957	317,431,943	35,685,726	465,625	832,886	1,215,012	805,371	390,556,589
Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	46,587,987	-	199,513,559	1,491,539,499	149,368,572	3,845,811	5,465,275	4,902,204	7,121,620	1,908,344,527
Accumulated Depreciation										
Opening Accumulated depreciation	-	-	47,568,948	334,683,562	63,041,203	2,380,926	3,537,802	2,716,265	5,715,505	459,644,211
Depreciation charge during the year	-	-	5,764,426	49,593,239	9,438,830	145,282	402,065	565,054	428,715	66,337,611
Disposal/Adjustments	-	-	-	-	-	-	-	-	-	-
Closing Accumulated depreciation	-	-	53,333,374	384,276,801	72,480,033	2,526,208	3,939,867	3,281,319	6,144,220	525,981,822
Net Carrying amount as at 31.03.2020	46,587,987	-	146,180,185	1,107,262,698	76,888,539	1,319,603	1,525,408	1,620,885	977,400	1,382,362,705
Gross carrying value										
Balance as at April 01, 2020	46,587,987	-	199,513,559	1,491,539,499	149,368,572	3,845,811	5,465,275	4,902,204	7,121,620	1,908,344,527
Additions	968,000	74,272,050	1,368,914	131,719,590	14,191,653	118,346	373,776	665,365	-	223,677,694
Deductions / Adjustments	-	-	-	11,180,801	-	-	-	2,182,787	-	13,363,588
Balance as at March 31, 2021	47,555,987	74,272,050	200,882,473	1,612,078,288	163,560,225	3,964,157	5,839,051	3,384,782	7,121,620	2,118,658,633
Accumulated Depreciation										
Opening Accumulated depreciation	-	-	53,333,374	384,276,801	72,480,033	2,526,208	3,939,867	3,281,319	6,144,220	525,981,822
Depreciation charge during the year	-	209,651	6,002,266	61,406,054	11,643,654	153,873	403,881	678,774	95,638	80,593,791
Disposal/Adjustments	-	-	-	4,660,127	-	-	-	2,073,645	-	6,733,772
Closing Accumulated depreciation	-	209,651	59,335,640	441,022,728	84,123,687	2,680,081	4,343,748	1,886,448	6,239,858	599,841,841
Net Carrying amount as at 31.03.2021	47,555,987	74,062,399	141,546,833	1,171,055,560	79,436,539	1,284,076	1,495,303	1,498,334	881,762	1,518,816,792





Notes Forming Part of the Consolidated Financial Statements

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4. RIGHT OF USE ASSETS

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

5. CAPITAL WORK IN PROGRESS (Assets under installation)

(in ₹)				
Particulars	Civil Works	Plant and equipment	Preoperative Expenses	Total Capital Work in progress
As at April 01, 2019	3,611,350	30,241,202	-	33,852,552
Additions	11,103,607	347,567,213	-	358,670,820
Deductions / Capitalised	14,714,957	346,762,889	-	361,477,846
As at March 31, 2020	-	31,045,526	-	31,045,526
As at April 01, 2020	-	31,045,526	-	31,045,526
Additions	3,907,520	126,933,823	1,172,507	132,013,850
Deductions / Capitalised	1,368,914	145,911,243	-	147,280,157
As at March 31, 2021	2,538,606	12,068,106	1,172,507	15,779,219

6. INTANGIBLE ASSETS

(in ₹)				
Particulars	Computer Software Purchased	Technical Know How	Product Registration	Total Intangible Assets
Gross carrying value				
Balance as at April 01, 2019	178,715	4,070,000	914,800	5,163,515
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2020	178,715	4,070,000	914,800	5,163,515
Amortisation				
As at April 01, 2019	136,028	4,070,000	228,700	4,434,728
Charge for the year	35,566	-	228,700	264,266
Disposal	-	-	-	-
As at March 31, 2020	171,594	4,070,000	457,400	4,698,994
Net Carrying amount as at 31.03.2020	7,121	-	457,400	464,521





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Computer Software Purchased	Technical Know How	Product Registration	(in ₹) Total Intangible Assets
Gross carrying value				
Balance as at April 01, 2020	178,715	4,070,000	914,800	5,163,515
Additions	-	-	3,296,000	3,296,000
Disposals	-	-	-	-
As at March 31, 2021	178,715	4,070,000	4,210,800	8,459,515
Amortisation				
As at April 01, 2020	171,594	4,070,000	457,400	4,698,994
Charge for the year	-	-	1,052,700	1,052,700
Disposal	-	-	-	-
As at March 31, 2021	171,594	4,070,000	1,510,100	5,751,694
Net Carrying amount as at 31.03.2021	7,121	-	2,700,700	2,707,821

7. INTANGIBLE ASSETS UNDER DEVELOPMENT

Intangible Assets under development	Product Registration	(in ₹) Total Capital Work in progress
As at April 01, 2019	4,578,076	4,578,076
Additions	550,000	550,000
Deductions	-	-
As at March 31, 2020	5,128,076	5,128,076
As at April 01, 2020	5,128,076	5,128,076
Additions	-	-
Deductions	3,426,000	3,426,000
As at March 31, 2021	1,702,076	1,702,076

8. INVESTMENTS

PARTICULARS	AS AT 31-03-2021	(in ₹) AS AT 31-03-2020
INVESTMENT IN Equity Instruments (Unquoted)		
Investments in Subsidiary (Valued at cost unless stated otherwise)	-	-
Total	-	-

9. FINANCIAL ASSETS - LOANS

PARTICULARS	AS AT 31-03-2021	(in ₹) AS AT 31-03-2020
Non Current		
(Unsecured considered good unless otherwise stated)		
Security Deposit	22,492,624	22,442,624
Total	22,492,624	22,442,624





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

10. OTHER FINANCIAL ASSETS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Non Current		
Balances with Banks:		
On term deposits with original maturity of more than 12 months	21,857,904	3,507,247
Interest accrued on deposits	2,118,393	1,243,569
Total	23,976,297	4,750,816

11. DEFERRED TAX ASSETS (NET)

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Deferred tax assets relating to:		
Unused tax losses/depreciation	-	57,295,065
Expenses allowable on payment basis	-	5,371,513
Relating to Ind AS adjustments	-	-
Total deferred tax assets	-	62,666,577
Deferred tax liabilities relating to:		
Accumulated depreciation for tax purposes	-	134,210,920
Relating to Ind AS adjustments	-	3,801,049
Total deferred tax liabilities	-	138,011,969
Deferred tax assets (Net)	-	(75,345,392)
Add: MAT credit entitlement	-	91,798,244
Total deferred tax assets (net)	-	16,452,853

11.1 DEFERRED TAX ASSETS/(LIABILITIES)

For the year ended March 31, 2020

(in ₹)

PARTICULARS	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(101,406,515)	(32,804,406)	-	(134,210,920)
MAT credit Entitlement	77,727,159	14,071,085	-	91,798,244
Unused tax losses/depreciation	47,827,481	9,467,584	-	57,295,065
Expenses allowed on payment basis	4,394,347	977,166	-	5,371,512
Other items giving rise to temporary differences	(5,350,666)	178,408	1,371,210	(3,801,049)
	23,191,807	(8,110,163)	1,371,210	16,452,853





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

12. OTHER NON CURRENT ASSETS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Unsecured - considered good unless otherwise stated		
Capital Advances	3,132,222	4,299,012
Total	3,132,222	4,299,012

13. INVENTORIES

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Valued at Cost or net realisable value whichever is lower		
Raw Material	175,545,630	181,960,347
Raw Material in bonded ware house	6,706,979	3,176,558
Work in progress	93,848,291	89,494,277
Finished Goods	202,336,625	254,220,025
Packing Materials	2,134,529	1,663,059
Coal & Fuel	8,038,654	29,746,079
Stores, spares & consumables	15,143,715	2,280,838
Total	503,754,423	562,541,183

14. TRADE RECEIVABLES

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Unsecured - Considered good	596,578,174	114,925,818
Unsecured - Considered doubtful	-	-
Unsecured - Considered Bad	337,363	57,348
	596,915,537	114,983,166
Less: Bad debts Written off	337,363	57,348
Total	596,578,174	114,925,818

14.1 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 31.03.2021. As on 31.03.2020, a receivable amount of ₹ 0.86 Cr was due under this category. (Refer note 49)

15. CASH & CASH EQUIVALENTS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Balances with banks in current accounts	2,747,698	24,055,524
Balances with banks in EEFC accounts	380,720	592,897
Balances with banks in unclaimed dividend accounts	237,952	237,952
Deposits with original maturity of less than three months	-	2,433,547
Cash in hand	141,539	169,401
Total	3,507,909	27,489,321





Notes Forming Part of the Consolidated Financial Statements

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16. OTHER BANK BALANCES

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Deposits with original maturity of more than 3 months but less than 12 months	2,609,190	9,724,515
Total	2,609,190	9,724,515

17. FINANCIAL ASSETS - DEPOSITS & OTHERS

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Current (Unsecured - considered good unless otherwise stated)		
Advances recoverable in cash	863,516	835,700
Accrued Interest	1,080,068	1,080,067
Total	1,943,584	1,915,767

18. CURRENT TAX ASSETS (NET)

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Income tax paid (Net of provision)	1,533,815	1,533,815
Total	1,533,815	1,533,815

19. OTHER CURRENT ASSETS

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Current (Unsecured - considered good unless otherwise stated)		
Advances recoverable in kind	1,284,862	10,941,915
Advance towards expenses	4,007,877	1,496,548
Prepaid Expenses	12,831,886	2,830,593
Balance with statutory/Government Authorities	12,829,050	52,300,935
Total	30,953,675	67,569,990

20. EQUITY SHARE CAPITAL

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Authorised		
10,000,000 Equity Shares of ₹ 10/- each	100,000,000	100,000,000
Total	100,000,000	100,000,000
Issued & Subscribed		
83,58,800 Equity Shares of ₹ 10/- each,		
Fully Paid up	83,588,000	83,588,000
	83,588,000	83,588,000
Paid up		
83,09,700 (Previous Year 83,09,700) Equity Shares of ₹ 10/- each with Voting Rights		
Fully Paid up	83,097,000	83,097,000
Less: Forfeited shares (amount originally paid up)	245,500	245,500
Total	83,342,500	83,342,500





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

20.1 RECONCILIATION OF NUMBER OF SHARES:

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Number of Equity Shares at the beginning of the year	8,309,700	8,309,700
Add: Number of shares issued during the year	-	-
Number of Equity Shares at the end of the year	8,309,700	8,309,700

20.2 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.

20.3 DETAILS OF SHARES HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES

PARTICULARS	AS AT 31-03-2021		AS AT 31-03-2020	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹ 10/- each held by:				
Sri S Chandra Sekhar	1,287,300	15.49%	1,287,300	15.49%
Ratnabali Investment Private Limited	1,159,140	13.95%	1,159,140	13.95%
Sri R Venkata Narayana	627,230	7.55%	608,087	7.32%
Rajasthan Gum Private Limited	509,543	6.13%	500,000	6.02%
Sri Mukul Mahavir Agarwal	400,000	4.81%	425,178	5.12%

20.4 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.

20.5 Proposed Dividend

The Board of Directors has not recommended any payment of Dividend for the financial year ended March 31, 2021 (March 31, 2020 ₹ Nil per share).

21. OTHER EQUITY

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Share Warrants		
Opening Balance	-	-
Add: amount received on issue of share warrants	-	-
Less: conversion of share warrants into share capital	-	-
	-	-
Securities Premium		
Opening Balance	552,476,000	552,476,000
Add: received on shares issued during the year	-	-
Less: Utilised during the year	-	-
	552,476,000	552,476,000





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
General Reserve		
Opening Balance	90,273,859	90,273,859
Surplus in the Statement of Profit & Loss		
Opening Balance	596,357,210	554,879,668
Less : Equity Dividend (₹ 2/ per equity Share)	-	16,619,400
Less : Corporate Tax on Equity Dividend	-	3,416,169
Add: Profit for the year	233,187,988	65,070,765
Other Comprehensive Income net of tax	1,228,681	(3,557,653)
Closing Balance	830,773,879	596,357,210
Total	1,473,523,738	1,239,107,069

22. FINANCIAL LIABILITIES - BORROWINGS

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Non Current Borrowings		
Term Loan (Secured)		
From Axis Bank Ltd	116,727,062	54,138,334
From State Bank Of India (CECL)	2,209,954	-
From State Bank Of India (GECL 2.0)	29,195,855	-
From Axis Bank Ltd (GECL 2.0)	17,952,278	-
Other Loans		
Sales tax deferment (Unsecured)	18,423,827	16,748,933
Loan from Inter corporates	21,798,406	1,543,643
Loan from directors	28,864,381	40,530,460
	235,171,763	112,961,371
Current Maturities of non current borrowings		
Term Loan (Secured)		
From Axis Bank Ltd	33,800,000	31,794,868
From State Bank Of India (GECL 2.0)	604,167	-
From Axis Bank Ltd (GECL 2.0)	497,222	-
Other Loans		
Sales tax deferment (Unsecured)	6,219,702	5,615,611
Loan from Inter corporates	298,406	48,493
Loan from directors	1,559,501	1,230,460
	42,978,998	38,689,432
Total	192,192,765	74,271,938





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

22.1 Details of Indian Rupee Term Loan from banks are as under:

(in ₹)

Name of the Bank/Others	Amount	Number of Installments	Commencement of Installments	Effective Interest Rate
From Axis Bank Ltd				
Term Loan I				
Sanction Amount	100,000,000	20 Structured stepped up quarterly installments First 4 - 0.25 Cr. Each, next 12 - 0.50 Cr. Each & last 4 - 0.75 Cr. Each	December 2015	As on 31.03.2021 MCLR of 7.40% plus spread 1.85% p.a. (March 31, 2020: MCLR of 8.20% plus spread 3.50%)
Outstanding As on 31-03-2021	-			
Outstanding As on 31-03-2020	13,044,868			
Term Loan II				
Sanction Amount	75,000,000	16 Quarterly installments of 0.47 Cr. Each	October 2018	As on 31.03.2021 MCLR of 7.40% plus spread 1.85% p.a. (March 31, 2020: MCLR of 8.20% plus spread 3.50%)
Outstanding As on 31-03-2021	22,118,925			
Outstanding As on 31-03-2020	41,093,466			
Term Loan III (Fresh Term Loan)				
Sanction Amount	100,000,000	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 31.03.2021 MCLR of 7.40% plus spread 1.85% p.a.
Outstanding As on 31-03-2021	94,608,137			
Outstanding As on 31-03-2020	-			
From State Bank Of India (GECL 2.0)				
Sanction Amount	29,000,000	48 Monthly Installments of 0.06 Cr. Each after a Moratorium of 12 Months	March 2022	As on 31.03.2021 MCLR of 6.95% plus spread 1.0% p.a.
Outstanding As on 31-03-2021	29,195,855			
Outstanding As on 31-03-2020	-			
From Axis Bank Ltd (GECL 2.0)				
Sanction Amount	17,900,000	36 Monthly Installments of 0.05 Cr. Each after a Moratorium of 12 Months	March 2022	As on 31.03.2021 MCLR of 7.45% plus spread 0.8% p.a.
Outstanding As on 31-03-2021	17,952,278			
Outstanding As on 31-03-2020	-			





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

22.2 Term loans I, II & III sanctioned by Axis Bank Ltd are secured by exclusive first charge on fixed assets created out of the term loans extended by the term lender and paripassu 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 except assets funded out of term loans I, II & III and personal guarantee of Sri S Chandra Sekhar, Managing Director of the Company & Smt. S Lalitha Sree, Director of the Company and pledge of 6,66,000 shares of the promoters exclusively in favour of Axis Bank Ltd. However, pledge of 6,66,000 shares of promoters stood released as on 31.03.2021.

22.3 Term Loans sanctioned under GECL 2.0 of ₹ 2.90 Cr & ₹ 1.79 Cr by State Bank of India & Axis Bank Ltd, respectively are secured by extension of charge / security interest (both primary & collateral) currently secured to the banks for their existing credit facilities on a second ranking basis.

22.4 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 ₹ 9,18,54,000/- and ₹ 5,14,50,510/- respectively for a period of 14 years to the Company in respect of Chlorpyrifos plant. The sanction of ₹ 9,18,54,000/- under letter No.20/2/6/1369/ID dated 08-10-1996 has expired its utilization on 28th February, 2010 and sanction of ₹ 5,14,50,510/- 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 ₹ 5,63,16,735/- under the above sanctions. The repayment has commenced and an amount of ₹ 2,66,70,167/- has been paid. However, the deferment amount payable for the years 2019-20 & 2020-21 aggregating to ₹ 56,15,611/- 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.

22.5 Loan availed from Inter corporates have been taken with the repayment period of two years from the date of availing such loan. The Interest is paid at the rate of 10% per annum on the principal outstanding.

22.6 Loan availed from Directors have been taken with the repayment period of two years from the date of availing such loan. The Interest is paid at the rate of 10% per annum on the principal outstanding.

23. OTHER FINANCIAL LIABILITIES

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Other non current liabilities	2,155,640	-
Deferred income on government grants	13,722,438	15,247,154
Total	15,878,078	15,247,154

24. PROVISIONS

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Non current provisions		
For Gratuity & Compensated Absence	-	9,648,490
Short Term Provisions		
For Gratuity & Compensated Absence	1,676,188	-
Total	1,676,188	9,648,490





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

25. DEFERRED TAX LIABILITIES (NET)

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Deferred tax assets relating to:		
Unused tax losses/depreciation	-	-
Expenses allowable on payment basis	7,008,969	-
Relating to Ind AS adjustments	-	-
Total deferred tax assets	7,008,969	-
Deferred tax liabilities relating to:		
Accumulated depreciation for tax purposes	157,678,032	-
Relating to Ind AS adjustments	423,830	-
Total deferred tax liabilities	158,101,862	-
Deferred tax Liabilities (Net)	(151,092,893)	-
Add: MAT credit entitlement	135,525,089	-
Total deferred tax liabilities (net)	15,567,804	-

25.1 DEFERRED TAX ASSETS/(LIABILITIES)

For the year ended March 31, 2021

(in ₹)				
PARTICULARS	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(134,210,920)	(23,467,112)	-	(157,678,032)
MAT credit Entitlement	91,798,244	43,726,845	-	135,525,090
Unused tax losses/depreciation	57,295,065	(57,295,065)	-	-
Expenses allowed on payment basis	5,371,512	1,637,456	-	7,008,969
Other items giving rise to temporary differences	(3,801,049)	3,882,004	(504,785)	(423,830)
	16,452,853	(31,515,871)	(504,785)	(15,567,804)

26. FINANCIAL LIABILITIES - BORROWINGS

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Current Borrowings		
Working capital loans (Secured)		
From State Bank of India	104,839,265	162,745,222
From Axis Bank Ltd	139,047,746	-
From RBL Bank Ltd	16,834,387	-
From ICICI Bank LTD	50,000,000	-
From IDFC First Bank Ltd	-	114,434,230
Bill discounting facilities from banks (Unsecured)		
From Shinhan Bank	53,186,213	10,321,288
From RBL Bank Ltd (Foreign Bill Discounting)	22,755,755	23,189,040
HDFC PGSI CARD	-	5,076,700
Total	386,663,366	315,766,480





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

26.1 Details of Indian Rupee Working Capital Loan from banks are as under:

Name of the Bank	Balance		Effective Interest Rate	
	AS AT 31-03-2021	AS AT 31-03-2020	AS AT 31-03-2021	AS AT 31-03-2020
Loans repayable on demand - Secured				
From State Bank of India	104,839,265	162,745,222	9.50%	9.80%
From Axis Bank Ltd	139,047,746	-	9.25%	-
From RBL Bank Ltd	16,834,387	-	9.05%	-
From ICICI Bank LTD	50,000,000	-	8.15%	-
From IDFC First Bank Ltd	-	114,434,230	-	10.00%
Loans repayable on demand - Unsecured				
From Shinhan Bank	53,186,213	10,321,288	ILC - 6.50% FLC - 2.40%	ILC - 7.70% FLC - 2.40%
From RBL Bank Ltd (Foreign Bill Discounting)	22,755,755	23,189,040	3.80%	5.11%
HDFC PGSI CARD	-	5,076,700	-	10.30%

26.2 Working Capital Facilities :

Working capital facilities extended by State Bank of India, Axis Bank Ltd, RBL Bank Ltd & ICICI Bank Ltd are secured as mentioned below.

1. For Limits sanctioned by SBI, Axis & RBL Banks

i) Primary Security:

Pari Passu first charge on current assets of the Company.

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 Ltd and equitable mortgage of the company's factory land and buildings in an extent of 71.68 acres situated at Cheruvukommupalem, Ongole.

Pari Passu Second charge is available to SBI, Axis Bank Ltd & RBL Bank Ltd by way of hypothecation on the movable fixed assets of the Company financed by Axis Bank Ltd.

iii) Personal Guarantee of Sri. S Chandra Sekhar, Managing Director and Smt. S Lalitha Sree Director of the Company.

2. For Limits sanctioned by ICICI Bank Ltd

i) Primary Security:

Second Pari Passu charge on the current assets of the Company.

ii) Collateral Security:

Mortgage of leasehold rights of Industrial Land in Acres 33.90 situated in Kadechur industrial Area (KIADB), Yadgir Dt, Karnataka belonging to Bheema Fine Chemicals Pvt Limited (Wholly owned subsidiary of Bhagiradha Chemicals & Industries Limited); Bheema Fine Chemicals Private Limited is in process of creation of charge in favour of bank.

iii) Personal Guarantee of Sri. S Chandra Sekhar, Managing Director and Smt. S Lalitha Sree Director of the Company.





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

27. TRADE PAYABLES

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Unsecured - considered good:		
Outstanding due to Micro, small & medium enterprises	8,704,834	994,150
Others	468,198,560	240,677,909
Total	476,903,394	241,672,059

27.1 Dues to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

Principal amount remaining unpaid	8,704,834	994,150
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	8,704,834	994,150

27.2 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 2021 has been made in the financial statements based on information received and available with the Company.

28. OTHER FINANCIAL LIABILITIES

(in ₹)

PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Current Maturities of long term debts		
Term Loan (Secured)		
From Axis Bank Ltd	33,800,000	31,794,868
From State Bank Of India (GECL 2.0)	604,167	-
From Axis Bank Ltd (GECL 2.0)	497,222	-
Other Loans		
Sales tax deferment (Unsecured)	6,219,702	5,615,611
Loan from Intercorporates	298,406	48,493
Loan from directors	1,559,501	1,230,460
Capital Creditors	23,068,327	219,833,018
Deferred income on government grants	1,524,716	1,524,716
Unpaid dividends	237,952	237,952
Other Payables - Expenses	12,990,581	9,703,493
Lease Liabilities	135,600	-
Total	80,936,174	269,988,611





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

28.1 Unpaid dividends will be credited to investors education and protection fund as and when due.

29. OTHER CURRENT LIABILITIES

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Statutory Dues	4,155,320	3,602,240
Total	4,155,320	3,602,240

30. CURRENT TAX LIABILITIES

(in ₹)		
PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
Provision for Income tax (Net of Advance tax and TDS/TCS)	894,985	-
	894,985	-

31. REVENUE FROM OPERATIONS

(in ₹)		
PARTICULARS	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Sale of products		
Manufactured products - Domestic	2,459,930,995	996,472,194
Manufactured products - Export	715,183,205	1,355,734,295
Traded Goods - Export	-	64,115,467
Sale of Services		
Other Operating Revenues		
Export Incentives	3,659,852	40,355,587
Scrap Sales	203,000	37,800
Total Revenue from operations	3,178,977,052	2,456,715,343

31.1 Export and other incentives have been recongnized upon realization of export sale proceeds and receipt of duty credit scrip under MEIS Scheme which is replaced by RoDTEP.

(in ₹)		
PARTICULARS	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Manufactured products - Domestic	2,366,917,888	963,841,896
Manufactured products - Export	715,183,205	1,355,734,295
Traded Goods - Sale of Raw Materials	93,013,107	32,630,298

32. OTHER INCOME

(in ₹)		
PARTICULARS	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Interest Income on		
Deposits and Margin money held	2,540,853	2,298,727
Gain on foreign currency transactions & translations	1,637,676	4,886,457
Government Grant amortised	1,524,716	1,524,716
Miscellaneous Income	678,149	7,996,344
Total	6,381,394	16,706,244





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

33. COST OF MATERIAL CONSUMED

(in ₹)		
PARTICULARS	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
Raw Material Consumption		
Opening Stock	181,960,347	130,571,128
Add: Purchases	1,932,143,609	1,472,443,408
	2,114,103,956	1,603,014,536
Less: Closing Stock	175,545,630	181,960,347
	1,938,558,326	1,421,054,189
Trading Goods Purchases	-	72,307,585
Packing Material Consumption		
Opening Stock	1,663,059	2,799,685
Add: Purchases	23,008,310	22,737,697
	24,671,369	25,537,382
Less: Closing Stock	2,134,529	1,663,059
	22,536,840	23,874,323
Total	1,961,095,166	1,517,236,097

34. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(in ₹)		
PARTICULARS	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Opening Stock of inventories		
Work-In-Progress	89,494,277	120,972,227
Finished goods	254,220,025	301,583,894
	343,714,302	422,556,121
Closing Stock of inventories		
Work-In-Progress	93,848,291	89,494,277
Finished goods	202,336,625	254,220,025
	296,184,916	343,714,302
Increase/(Decrease) in inventories of finished goods and work-in-progress	47,529,386	78,841,819

35. EMPLOYEE BENEFITS EXPENSES

(in ₹)		
PARTICULARS	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Salaries & Wages	147,751,448	150,912,223
Directors' Remuneration & Commission	15,000,000	10,702,123
CEO Commission	2,346,419	650,708
Contribution to provident fund & other funds	10,905,034	10,689,019
Gratuity Expenses	2,594,990	2,471,650
Compensated absence	2,166,174	1,745,970
Staff Welfare Expenses	13,509,923	11,763,503
Total	194,273,988	188,935,196





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

36. FINANCE COST

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Interest on term loan	11,009,327	9,853,728
Interest on working capital loan	21,424,496	19,874,101
Interest to others	14,305,947	10,276,860
Interest on financial liabilities recognised on amortised cost	1,674,894	1,912,639
Bank Charges & Processing Fee	8,272,346	6,318,104
Cash Discount	25,958,227	6,610,778
Interest on late payment of statutory Dues	22,033	-
Interest On Lease Liability	38,300	-
Total	82,705,570	54,846,209

37. OTHER EXPENSES

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
Manufacturing Expenses		
Consumption of stores, spares & consumables	78,076,283	73,252,206
Power and Fuel	244,700,282	181,748,493
Insurance	11,422,971	13,920,601
Effluent treatment expenses	34,919,558	36,540,975
Freight Inwards	716,618	670,004
Water Transport Charges	4,822,200	6,615,000
Testing and Lab charges	1,155,040	399,108
Factory maintenance	8,600,547	14,941,289
Repairs & maintenance		
Plant and machinery	18,196,344	19,287,150
Buildings	18,491,735	16,537,076
Others	1,568,167	1,467,371
	422,669,745	365,379,273
Administration, Selling and Other Expenses		
Rent	1,800,000	1,800,000
Rates and taxes	5,416,706	2,027,829
Research & Development expenses	11,559,186	11,514,922
Printing and stationery	1,810,777	1,406,937
Consultancy and other professional charges	10,766,664	11,048,258
Remuneration to auditors		
- Audit Fee	850,000	600,000
- Other services	-	-
- Out of pocket expenses	-	-
Tax audit fee	100,000	100,000
Remuneration to cost auditors	100,000	100,000
Remuneration to Internal Auditors	250,000	200,000
Travelling and conveyance	904,600	3,169,278
Communication expenses	1,160,843	1,345,152
Vehicle Maintenance	2,985,900	3,396,713
Other selling expenses	27,640,800	84,967,972
Preliminary Expenses	15,431	-
Miscellaneous Expenses	19,191,831	15,381,034
	84,552,738	137,058,095
Total	507,222,483	502,437,368





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FOR THE YEAR ENDED 31ST MARCH, 2021

38. Details of Expenses on Corporate Social Responsibility Activities

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Amount required to be spent by the Company during the year	2,153,022	1,734,872
Amount of expenditure incurred	2,587,326	2,084,224
Shortfall at the end of the year	-	-

Nature of CSR activities- For promotion of Healthcare, Environmental Sustainability & Education.

As Per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2021 was ₹ 21,53,022/- Computed at 2% of its average net profits for the immediately preceding three financial years, on Corporate Social Responsibility (CSR). The Company spent an amount of ₹ 25,87,326/- against this obligation for promotion of Healthcare, Environmental Sustainability & Education.

39. Exceptional Item - Insurance Claim :

During the course of operations, a fire accident occurred in one of the production blocks on 20-05-2017. Part of the Civil structures, Plant and Electrical Equipment worth ₹ 9.71 crores got damaged. The Company lodged a claim under the reinstatement policy for ₹ 12.41 crores towards the damages and the insurance company paid ₹ 5.18 crores on adhoc basis in the year 2017-18. The Company accounted loss as per Ind AS 16, ("Property, Plant and Equipment") Ind AS 36 ("Impairment of Assets"), net of adhoc amount released by the insurance company. An amount of ₹ 0.65 crores was received by the Company through the sale proceeds of salvage material in the year 2019-20. An amount of ₹ 1.05 Cr was received on 11.12.2020 as full & final settlement under the reinstatement policy for Civil structures, Plant and Electrical Equipment which was disclosed as Income from Insurance claim as exceptional item.

40. TAXES

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
a. Income Tax Expense recognised in the Statement of Profit & Loss:		
Current Tax	56,715,252	14,071,085
Adjustment for MAT	(43,726,845)	(14,071,085)
Deferred tax Charge/(Credit)	75,242,717	22,181,249
Earlier years Tax	-	1,975,224
Total Income tax Expenses recognised in statement of profit & loss	88,231,123	24,156,473
Net (gain)/ loss on Measurement of Defined Benefit plan net of Deferred tax Charged/(Credit) to OCI	1,228,681	(3,557,653)
b. Reconciliation of effective tax rate:		
Profit before tax (A)	321,419,111	89,227,237
Enacted tax rate in India (B)	27.82%	27.82%
Expected Tax Expenses (C=A*B)	89,418,797	24,823,017
Adjustments for permanent difference:		
Weighted deduction U/s 35 (2AB) under the Income Tax Act,1961	(1,284,360)	(9,756,053)
Expenses not deductible for tax purpose	2,365,410	4,603,870
Tax due to change in tax rate	(734,502)	3,756,821
Others	(4,615,683)	(1,000,555)
Total	(4,269,135)	(2,395,918)
Profit after adjusting permanent difference	317,149,976	86,831,320
Expected Tax expenses	88,231,123	24,156,473
Total Tax expense	88,231,123	24,156,473





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

41. Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Retained Earnings:		
Remeasurement costs on net defined benefit liability	1,733,466	(4,928,863)
Deferred tax effect on remeasurement costs on net defined benefit liability	(504,785)	1,371,210
Total	1,228,681	(3,557,653)

42. EARNINGS PER SHARE

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

42.2 The Basic and diluted EPS per share is given hereunder

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
Profit / (Loss) as per Profit and Loss Account ₹	233,187,988	65,070,765
Net Profit / (Loss) attributable to Equity Share holders ₹	233,187,988	65,070,765
Equity Shares outstanding at the beginning of the year Nos.	8,309,700	8,309,700
Equity Shares outstanding at the close of the year Nos.	8,309,700	8,309,700
Weighted average No of equity shares in computing basic EPS Nos.	8,309,700	8,309,700
Add : Share Warrants Nos.	-	-
Weighted Average number of Equity Shares in computing diluted earnings per share Nos.	8,309,700	8,309,700
Face value of each equity share ₹	10	10
Earnings per share		
- Basic (₹) ₹	28.06	7.83
- Diluted (₹) ₹	28.06	7.83

43. Employee benefits

43.1 Gratuity

Defined Benefit Plans

The Company has a defined benefit gratuity plan governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure, at 15 days salary for each completed year of service. The scheme is funded through a policy with Life Insurance Corporation of India. The following tables summarize net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:





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(in ₹)

PARTICULARS	March 31, 2021	March 31, 2020
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	2,479,653	2,486,856
Interest cost	115,337	(15,206)
Expected return on plan assets	-	-
Net actuarial(gain) / loss recognised in the period/ year	(526,787)	1,256,731
Benefits paid	160,077	128,698
Net employee benefit expenses	2,228,280	3,857,079
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	27,194,181	25,710,706
Fair value of plan assets	27,372,493	20,252,013
	(178,312)	5,458,693
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	25,710,706	19,070,505
Current service cost	2,479,653	2,486,856
Interest cost	1,675,414	1,445,533
Benefits paid	(1,779,520)	(349,302)
Remeasurement due to financial assumptions	(365,285)	1,800,383
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	(526,787)	1,256,731
Closing defined benefit obligation	27,194,181	25,710,706
D) Change in the fair value of plan assets		
Opening fair value of plan assets	20,252,014	19,269,275
Interest Income on Planned assets	1,560,077	1,460,739
Contributions	7,500,000	-
Benefits paid	(1,779,520)	(349,302)
Actuarial gain/(loss) on plan assets	(160,077)	(128,698)
Closing fair value of plan assets	27,372,494	20,252,014
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) on plan liabilities	(526,787)	1,256,731
Experience loss/ (gain) on plan assets	-	-
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	(526,787)	1,256,731





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(in ₹)

PARTICULARS	March 31, 2021	March 31, 2020
i) The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Discount rate	6.92%	6.75%
Expected rate of return on assets	0.00%	0.00%
Salary rise	4.00%	4.00%
Attrition Rate	3.00%	3.00%
The estimates of future salary increases considered in the actuarial valuation, take in to account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
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	27,194,181	25,710,706
Plan assets	27,372,494	20,252,014
Surplus / (deficit)	(178,313)	5,458,692

43.2 Leave Encashment

Defined Benefit Plans

(in ₹)

	March 31, 2021	March 31, 2020
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	2,001,488	1,689,744
Interest cost	1,137,981	994,070
Expected return on plan assets	-	-
Net actuarial(gain) / loss recognised in the period/ year	(895,957)	584,669
Benefits paid	(1,078,811)	220,539
Net employee benefit expenses	1,164,701	3,489,022
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	18,584,365	17,153,289
Fair value of plan assets	16,729,866	12,963,491
	1,854,499	4,189,798
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	17,153,289	13,177,851
Current service cost	2,001,488	1,689,744
Interest cost	1,137,981	994,070
Benefits paid	(588,625)	(366,935)
Remeasurement due to financial assumptions	(223,811)	1,073,890
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	(895,957)	584,669
Closing defined benefit obligation	18,584,365	17,153,289





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(in ₹)

	March 31, 2021	March 31, 2020
D) Change in the fair value of plan assets		
Opening fair value of plan assets	12,963,491	12,408,663
Expected return on plan assets	(118,294)	(84,493)
Contributions	4,473,294	1,006,255
Benefits paid	(588,625)	(366,934)
Actuarial gain/(loss) on plan assets	-	-
Closing fair value of plan assets	16,729,866	12,963,491
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) on plan liabilities	(895,957)	584,669
Experience loss/ (gain) on plan assets	-	-
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	(895,957)	584,669
i) The principal assumptions used in determining Leave Encashment for the Company's plans are shown below:		
Discount rate	6.92%	6.75%
Expected rate of return on assets	0.00%	0.00%
Salary rise	4.00%	4.00%
Attrition Rate	3.00%	3.00%

The estimates of future salary increases considered in the actuarial valuation, take in to account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

43.3 Defined Contribution Plan

(in ₹)

PARTICULARS	March 31, 2021	March 31, 2020
Contribution to Provident Fund	9,556,275	9,282,233
Contribution to Superannuation Fund	-	-





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44. COMMITMENTS & CONTINGENCIES

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
a Commitments:		
Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	3,629,507	8,890,563
Total	3,629,507	8,890,563
b. Contingent Liabilities:		
i) Outstanding bank guarantees	1,000,000	10,000,000
ii) Letters of Credit	24,883,219	36,706,782
Total	25,883,219	46,706,782

45. During the year 2018-19, Company paid ₹ 26,20,646/- and ₹ 13,71,404/- 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 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 yet to be disposed. Hence, no provision is made in the books of the Company.

46. SEGMENT REPORTING :

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

47. PAYMENTS TO AUDITORS (excluding GST & Service Tax)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
A) Statutory auditors		
Statutory audit	850,000	600,000
Tax audit fees	-	-
Others	-	-
Reimbursement of expenses	-	-
	850,000	600,000
B) Cost auditors		
Audit fee	100,000	100,000
Filing fee	5,000	5,000
Reimbursement of expenses	-	1,500
	105,000	106,500





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48. RESEARCH AND DEVELOPMENT

PARTICULARS	(in ₹)	
	FOR THE YEAR ENDED 31-03-2021	FOR THE YEAR ENDED 31-03-2020
Details of expenditure on R & D		
i) Details of Revenue expenditure		
Cost of Materials Consumed		
Laboratory Expenses and Consumables	6,514,941	4,972,241
Employee Benefits Expenses		
Salaries, Wages and Bonuses	5,044,245	6,505,226
Other Expenses		
Repairs and Maintenance	-	37,455
ii) Capital Expenditure		
Plant & Machinery	1,284,360	2,665,728
Building related material	-	-
	12,843,546	14,180,650

49. Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Bhagiradha Chemicals & Industries Limited	Parent Company

Enterprises under the significant influence of persons having significant influence over this company

Agnova Chemicals Pvt Ltd	Sri Ketan Chamanlal Budh, Whole Time Director, is interested.
VNA Express & Logistic Solutions	Sri Ketan Chamanlal Budh, Whole Time Director, is interested.

Enterprises under the control of persons having significant influence over this company

Greenpath Energy Private Limited	Sri S. Chandra Sekhar & Smt S. Lalitha Sree Directors, are interested.
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Key Management Personnel

Sri K S Raju	Chairman
Sri S Chandra Sekhar	Managing Director
Sri Sudhakar Kudva	Independent Director
Sri D Sada Sivudu	Independent Director
Smt S Lalitha Sree	Director
Sri G S V Krishna Rao	Independent Director
Smt A Lakshmi Sowjanya	Independent Director (Up to 09-09-2020)
Sri Kishor Shah	Independent Director (w.e.f 14-09-2020)
Dr G Aruna	Independent Director (w.e.f 04-12-2020)
Sri Ketan Chamanlal Budh	Whole Time Director





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Name of the related party	Relationship
Sri A Arvind Kumar	Chief Executive Officer
Sri B Krishna Mohan Rao	Chief Financial Officer
Smt B N Suvarchala	Company Secretary (Up to 19.10.2020)
Smt Saheli Banerjee	Company Secretary (w.e.f 05-11-2020)

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

Transactions during the year:

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
a) Enterprises under the significant influence of persons having significant influence over this company		
Sales of Finished Goods (Including duties and taxes)		
Agnova Chemicals Pvt Ltd	6,740,938	13,876,800
Purchase of Goods / Services (Including duties and taxes)		
Agnova Chemicals Pvt Ltd	2,755,890	-
VNA Express & Logistic Solutions	928,673	32,599,986
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	20,000,000	1,500,000
Loans repaid during the year to the enterprise	50,000	4,850
Interest on Loans paid to the enterprise	338,626	48,493
c) Key Management Personnel		
i) Sri S Chandra Sekhar		
Remuneration including commission	12,826,000	8,384,123
Unsecured loans taken from him	8,200,000	54,500,000
Unsecured loans Repaid to him	24,016,836	15,505,485
Interest on Unsecured loans paid to him	4,150,757	1,535,945
ii) Sri K S Raju		
Sitting Fees	120,000	70,000
iii) Sri Sudhakar Kudva		
Sitting Fees	200,000	155,000
iv) Sri D Sadasivudu		
Sitting Fee	110,000	95,000





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(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
v) Smt S Lalitha Sree		
Sitting Fee	120,000	95,000
vi) Sri G S V Krishna Rao		
Sitting Fee	180,000	145,000
vii) Smt A Lakshmi Sowjanya		
Sitting Fee	25,000	25,000
viii) Sri Kishor Shah		
Sitting Fee	70,000	-
ix) Dr G Aruna		
Sitting Fee	35,000	-
x) Sri Ketan Chamanlal Budh		
Remuneration	2,948,000	3,127,928
xi) Sri A Arvind Kumar		
Remuneration (Including commission)	6,893,451	5,452,988
xii) Sri B Krishna Mohan Rao		
Remuneration	2,705,504	2,709,198
xiii) Smt Saheli Banerjee		
Remuneration	423,613	-
xiv) Smt B N Suvarchala		
Remuneration	430,092	896,136

Closing Balances

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2021	FOR THE YEAR ENDED 31.03.2020
b) Enterprises under the Control of persons having significant influence over this company		
Greenpath Energy Private Limited		
Unsecured loans payable	21,798,406	1,543,643
b) Key Management Personnel		
i) Sri S Chandra Sekhar		
Unsecured loans payable	28,864,381	40,530,460
Remuneration payable	-	-
Commission Payable	4,250,000	1,952,123
Guarantee given for borrowings	429,658,414	369,904,814
ii) Sri A Arvind Kumar		
Commission Payable	2,346,419	650,708
iii) Agnova Chemicals Pvt Ltd	-	8,622,800
iv) VNA Express & Logistic Solutions	-	1,675,553





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50. FAIR VALUES

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

(in ₹)

Particulars	Carrying value		Fair value	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Financial assets at fair value through profit & loss				
Investments	-	-	-	-
Financial Assets at amortised cost				
Loans	22,492,624	22,442,624	-	-
Deposits & Others	25,919,881	6,666,583	-	-
Trade Receivables	596,578,174	114,925,818	-	-
Cash & Cash Equivalents	3,507,909	27,489,321	-	-
Bank Balances other than above	2,609,190	9,724,515	-	-
Financial Liabilities at amortised cost				
Borrowings (Non Current & Current)	619,977,222	427,448,897	18,423,827	16,748,933
Interest accrued	1,524,716	1,524,716	-	-
Trade Payables	476,903,394	241,672,059	-	-
Capital Creditors & Others	25,359,567	219,833,018	-	-

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

51. 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.





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51.1 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:

(in ₹)		
Particulars	March 31, 2021	March 31, 2020
Not Due		
0 - 90 Days	515,276,427	89,153,591
90 - 180 Days	68,813,703	4,177,396
180 - 270 Days	11,328,000	14,544,367
270 - 365 Days	-	521,872
More than 360 Days	1,160,044	6,528,682
	596,578,174	114,925,908

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 ₹ 35,07,909 at March 31, 2021 (March 31, 2020: ₹ 2,74,89,321). This includes the cash and cash equivalents held with the bank and the cash on hand with the Company.

51.2 Liquidity Risk

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

The Company has obtained fund and non-fund based working capital loan from bank. The borrowed funds are generally applied for Company's own operational activities.





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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 :

(in ₹)

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-21					
Non Current Borrowings (Including current maturities)	51,874,562	126,996,269	60,980,263	15,903,767	255,754,861
Current Borrowings	386,663,366	-	-	-	386,663,366
Interest Payable	1,524,716	-	-	-	1,524,716
Trade Payables	476,903,394	-	-	-	476,903,394
Other Payables	23,107,052	925	1,039	2,250,551	25,359,567
	940,073,090	126,997,194	60,981,302	18,154,318	1,146,205,904

(in ₹)

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-20					
Non Current Borrowings (Including current maturities)	38,689,432	69,898,951	1,366,855	15,903,767	125,859,005
Current Borrowings	315,766,480	-	-	-	315,766,480
Interest Payable	1,524,716	-	-	-	1,524,716
Trade Payables	241,672,059	-	-	-	241,672,059
Other Payables	219,833,018	-	-	-	219,833,018
	817,485,705	69,898,951	1,366,855	15,903,767	904,655,278

b) Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The company's exposure to the risk of changes in the market interest rate relates primarily to the company's long term debt obligations with floating interest rates. The company's interest rate exposure is mainly related to variable interest rates debt obligations. The Company manages the liquidity and fund requirements for its day to day operations like working capital, suppliers/buyers credit.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.





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Particulars	(in ₹)	
	March 31, 2021	March 31, 2020
Floating rate instruments		
Financial Liabilities - measured at amortised cost		
Term loan from banks	166,085,149	54,138,334
Working capital facilities from bank	310,721,398	277,179,452
Bills Discounting	75,941,968	33,510,328
Credit Card Dues	-	5,076,700
Fixed rate instruments		
Loan from intercorporate (Unsecured)	21,798,406	1,543,643
Loan from Directors (Unsecured)	28,864,381	40,530,460
Total	603,411,302	411,978,917

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)	(in ₹)	
	Profit or loss	
	25 bp increase	25 bp decrease
31-Mar-21		
Variable rate loan instruments	1,508,528	(1,508,528)
31-Mar-20		
Variable rate loan instruments	1,029,947	(1,029,947)

51.3 a) Market Risk

Market risk is the possibility of losses that may be incurred by the company due to factors that affect the overall performance of the company – such as foreign exchange rates, interest rates, recessions etc. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily due to the fluctuations in the rate of interest for borrowings from banks, recession in the market, foreign exchange rate fluctuation etc.

b) Currency Risk

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





Notes Forming Part of the Consolidated Financial Statements

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c) Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2021 & March 31, 2020 are in Indian Rupees.

PARTICULARS	March 31, 2021	March 31, 2020
	USD	USD
Financial Assets		
Cash & Cash equivalents	380,720	592,895
Trade & Other Receivables	27,100,415	70,755,552
	27,481,134	71,348,447
Financial Liabilities		
Trade & Other Payables	122,855,323	35,986,274
Advance from Customers	-	-
	122,855,323	35,986,274
Net Exposure	(95,374,189)	35,362,173

PARTICULARS	March 31, 2021	March 31, 2020
	GBP	GBP
Financial Assets		
Cash & Cash equivalents	-	-
Trade & Other Receivables	-	-
	-	-
Financial Liabilities		
Trade & Other Payables	-	15,661,669
Advance from Customers	-	-
	-	15,661,669
Net Exposure	-	(15,661,669)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars and Pounds at March 31 would have affected the measurement of financial instruments denominated in US dollars and Pounds and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	(953,742)	953,742	-	-
GBP	-	-	-	-
	(953,742)	953,742	-	-





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FOR THE YEAR ENDED 31ST MARCH, 2021

31-Mar-20		(in ₹)	
Effect in INR	Profit or loss		Equity, net of tax
	Strengthening	Weakening	Strengthening Weakening
1% movement			
USD	353,622	(353,622)	- -
GBP	(156,617)	156,617	- -
	197,005	(197,005)	- -

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.

52. CAPITAL RISK MANAGEMENT

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

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

(in ₹)		
Particulars	March 31, 2021	March 31, 2020
Non Current borrowings	192,192,765	74,271,938
Current borrowings	386,663,366	315,766,480
Current maturities of long term debts	44,503,714	40,214,148
Total Debts	623,359,845	430,252,566
Less: Cash & Cash equivalents	3,507,909	27,489,321
Other bank deposits	2,609,190	9,724,515
Adjusted net debts	617,242,746	393,038,730
Equity	83,342,500	83,342,500
Other Equity	1,473,523,738	1,239,107,069
Total Equity	1,556,866,238	1,322,449,569
Adjusted net debt to equity ratio	0.40	0.30





Notes Forming Part of the Consolidated Financial Statements

FOR THE YEAR ENDED 31ST MARCH, 2021

53. 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.

Particulars	As at 31 March 2021		Year ended 31 March 2021		Year ended 31 March 2021		Year ended 31 March 2021	
	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share of Other Comprehensive income		Share of Total Comprehensive income	
	As a % of consolidated net assets	₹	As a % of consolidated profit & loss	₹	As a % of OCI	₹	As a % of Total Comprehensive income	₹
Parent								
Bhagiradha Chemicals & Industries Limited	100%	1,558,320,185	101%	234,641,935	100%	1,228,681	101%	235,870,616
Subsidiary								
Bheema Fine Chemicals Private Limited	5%	78,646,053	-1%	-1,453,947	0%	0	-1%	-1,453,947
Total Elimination	-5%	-80,100,000	0%	0	0%	0	0%	0
Total	100%	1,556,866,238	100%	233,187,988	100%	1,228,681	100%	234,416,669

54. Figures of the Previous year are regrouped / reclassified wherever considered necessary and rounded off to the nearest rupee.

As per our report of even date

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

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 04.05.2021

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

Saheli Banerjee
Company Secretary



Notes

BASIS OF REPORTING

We have prepared this Report in accordance with the Companies Act, 2013 (and the Rules made thereunder), Indian Accounting Standards, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards. However, we are voluntarily disclosing information beyond statutory requirements for more transparency and to help our stakeholders make informed decisions. Through this Report, we intend to communicate about our organisation's strategy, governance, performance and prospects that lead to the creation of value over the short, medium and long term.





BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED

CIN : L24219TG1993PLC015963

Registered Office

8-2-269/3/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

Cheruvukommupalem Village, Yerajarla Road, Ongole Mandal
Prakasam District, Andhra Pradesh