



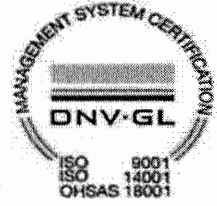
# TGV SRAAC LIMITED

(Formerly SreeRayalaseemaAlkalies and Allied Chemicals Limited)

6-2-1012, 2<sup>nd</sup> Floor, TGV Mansion, Khairatabad, Hyderabad – 500 004,  
Telangana, INDIA.

① 040-23313842, Fax : 040-23313875 Email: [sralkalies@tgvmail.net](mailto:sralkalies@tgvmail.net)

CIN : L24110AP1981PLC003077



REF:TGVSL:SECL:BSE:2022-23:

August 23, 2022

The Secretary (DCS – CRD)  
M/s. BSE Limited,  
P.J. Towers, 25<sup>th</sup> Floor, Dalal Street,  
MUMBAI – 400 001.

Dear Sir,

Sub: Errata / Corrigendum – Filing revised soft copy of 40<sup>th</sup> Annual Report for the financial year 2021-22 after correction in Front page under the caption “BOARD OF DIRECTORS” – Reg.

Ref: 1. Our letter dtd.22.08.2022 - Regulation 34 of SEBI (LODR) Regulations, 2015.  
2. Scrip Code : 507753.

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In continuation to our letter submitted to BSE under Reg.34(1) for filing 40<sup>th</sup> Annual Report (2021-22) copy, we bring to your kind notice that due to “Typographical Error” there was a mistake occurred in Front/Initial page under caption “BOARD OF DIRECTORS” the name of Sri T.G. Venkatesh, Main Promoter was included by mistake.

After rectifying the above said mistake stated above, we are once again filing Revised/corrected copy of 40<sup>th</sup> Annual Report 2021-22 for your kind information and records for dissemination.

Inconvenience caused in this regard is regretted. Kindly ignore the previous filing dt.22.08.2022 in this regard.

This is for your kind information with a request to update present/revised filing (23.08.2022) copy of 40<sup>th</sup> Annual Report 2021-22 in your records.

The Annual Report for the financial year 2021-22 and notice of the 40<sup>th</sup> Annual General Meeting are available and can be accessed from the Investor relations section of the Company’s Website viz., [www.tgvgroup.com](http://www.tgvgroup.com)

Thanking you,

Yours faithfully,  
For TGV SRAAC Limited

RADHAKRISHNA Digitally signed by  
RADHAKRISHNA MURTHY VEMULA  
Date: 2022.08.23 16:13:06 +05’30’  
MURTHY VEMULA

**CS V. Radhakrishna Murthy**  
Chief General Manager & Company Secretary

Regd. Off. & factory :Gondiparla, KURNOOL – 518 004. (A.P) INDIA. ☎ + 91 8518 280006, 7, 8 Fax : 08518-280098  
Corporate Off :40-304, 2<sup>nd</sup> Floor, K.J. Complex, Bhagya Nagar, KURNOOL – 518 004. (A.P) INDIA. ☎ 08518-221933, 221939 Fax: 08518-226973  
Bellary Power Plant :P.D.Halli (Post), T Budehal Dist. Pin 583 138, ☎ (0839) 265239, 265085, Fax: 0839-265240  
Chennai Off : New No. 100(old No.74) 1st Floor, Greenways Road, Extn. R.A.Puram, Chennai-600 028. ☎ 044-24611932, 11940 Fax : 044-24612553  
Bangalore Off :25, 1st Floor, Shankara Park Road, Shankarapuram, Bangalore – 560 004. ☎ 080 – 26520493, 5120493, Fax :080 – 266523655  
Mumbai Off :302, Rishikesh Apt. 3rd Floor, Above Sapna Hotel, Opp: N.L.College, S.V. Road, Malad(west)Mumbai-400 064 Tele Fax : 022-28084481/82  
DelhiOff :72/75, 2nd Floor, Amnt Chamber, Scindia House, Janpat, Connaught Place, New Delhi-110 001 Tele Fax : +91-11-51513233



# TGV SRAAC LIMITED

(Formerly Sree Rayalaseema Alkalies and Allied Chemicals Ltd.)



# 40<sup>th</sup>

## Annual Report

### 2021-22



[www.tgvgroup.com](http://www.tgvgroup.com)



## TGV SRAAC LIMITED

### BOARD OF DIRECTORS

Sri P. N. Vedanarayanan  
Sri G. Krishna Murthy (Upto 16.12.2021)  
Sri K. Karunakar Rao  
Executive Director & CEO  
Sri N. Jesvanth Reddy  
Executive Director (Technical)  
Sri Gopal Krishan (Upto 30.11.2021)  
Sri C. Srinivasa Babu (from 31.07.2021)  
Executive Director (Technical)  
Sri J. Nagabhushanam (Upto 16.09.2021)  
Dr M. Asha Reddy (Upto 27.09.2021)  
Ms M. Sridevi (from 11.11.2021)  
Ms S. Hima Bindu (from 02.03.2022)  
Ms Geetha R Serwani (from 10.08.2022)

### COMPANY SECRETARY

Sri CS V. Radhakrishna Murthy

### VICE PRESIDENT (F&A) & CFO

Sri CA C. Rajesh Khanna

### BANKERS

Indian Bank  
Punjab National Bank  
The South Indian Bank Limited  
The Federal Bank Limited  
IDBI Bank Limited  
Canbank Factors Limited

### SECRETARIAL AUDITOR

Sri N. Ramaswamy  
Flat No.101C, Sartaaaj Villa Apartment  
3-6-159, Urdu Hall Lane  
Himayat Nagar  
Hyderabad - 500 029 (T.S)

### COST AUDITOR

Aruna Prasad & Co.,  
Plot No. 802, 64<sup>th</sup> Street  
10<sup>th</sup> Sector, K.K. Nagar  
Chennai - 600 078 (T.N)

### STATUTORY AUDITORS

M/s. K S Rao & Co.,  
Chartered Accountants  
Flat No.602, Golden Green Apartments  
Irrum Manzil Colony  
Hyderabad – 500 082 (T.S)

### REGISTERED OFFICE & FACTORY

Gondiparla, Kurnool - 518 004 (A.P.)

### CORPORATE IDENTITY NUMBER (CIN)

L24110AP1981PLC003077

### CORPORATE OFFICE

40-304, 2<sup>nd</sup> Floor, Krishna Jyothsna Complex  
Bhagyanagar  
Kurnool - 518 004 (A.P.)

### REGISTRAR & SHARE TRANSFER AGENT

Aarathi Consultants Private Limited  
Regd. Office: 1-2-285, Domalguda  
Hyderabad - 500 029 (Telangana State)  
Tel. No. 040-27638111 / 4445  
Fax No. 040-27632184  
E-mail: info@aarathiconsultants.com  
aarathiconsultants@gmail.com

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### NOTICE

**NOTICE** is hereby given that the **40<sup>th</sup> Annual General Meeting of the Members of TGV SRAAC LIMITED** (CIN:L24110AP19851PLC003077) will be held through (Video Conference) VC / OAVM (Other Audio Visual Means) Mode on Thursday, the 15<sup>th</sup> September, 2022 at 11.30 A.M. to transact the following business :

#### **ORDINARY BUSINESS :**

- 1) To receive, consider and adopt the Balance Sheet as at March 31, 2022 and the Statement of Profit and Loss for the year ended and other annexures together with the Reports of Directors and the Auditors attached thereto.
- 2) To appoint a Director in place of Sri K. Karunakar Rao (DIN:02031367) who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint a Director in place of Sri C. Srinivasa Babu (DIN:09266926) who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and if thought fit, to pass without modifications, the following Resolution as an **Ordinary Resolution** for Appointment of Statutory Auditors.

**“RESOLVED THAT** pursuant to the provisions of Sec.139,141,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, M/s. Brahmayya & Co., Chartered Accountants (Firm Regn. No. 0005155) be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this 40<sup>th</sup>

Annual General Meeting till the conclusion of 45<sup>th</sup> Annual General Meeting i.e., for a period of Five (5) consecutive years on such remuneration as may be approved by the Board of Directors of the company from time to time, based on the recommendation of the Audit Committee.

#### **SPECIAL BUSINESS :**

- 5) To consider and, if thought fit, to pass the following resolution as an **“Special Resolution”** for Appointment of Ms. Geeta Ramesh Serwani (DIN:09130636) for the first time as Non-Executive Independent Director of the Company.

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and qualification of Directors) Rules, 2014 and SEBI (LODR) Regulations, 2015(including any statutory modification(s) or re-enactment thereof, for the time being in force, Ms. Geeta Ramesh Serwani (DIN:09130636), who has submitted that she meets the criteria for Non-Executive Independent Director as provided in section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company for a term of (3) three consecutive years with effect from 10<sup>th</sup> August, 2022 and whose office shall not be liable to retire by rotation.



- 6) To consider and if thought fit, to pass the following resolution as **“Special Resolution”** for appointment of Ms. Hima Bindu Sagala (DIN:09520601) for the First Time as Non-Executive Independent Director of the Company.

**“RESOLVED THAT** in continuation and in partial modification to the members approval dt.09.04.2022 (through Postal Ballot) and in pursuance to the provisions of Sec.149 read with Schedule IV of the Companies Act, 2013 (the Act), Companies (Appointment and Qualification of Directors) Rules, 2014 and Reg.25 (2A) and other applicable provisions of SEBI (LODR) Regulations, 2015 (including any statutory modifications or re-enactment thereof, for the time being in force) Ms. Hima Bindu Sagala (DIN:09520601) who has submitted a declaration that she meet the criteria for Non-Executive Independent Director as provided in Sec.149 (6) of the Act and who is eligible for appointment and in respect of whom the company has received a Notice in writing with requisite deposit from a Shareholder / Member proposing her candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company for a Term of (3) three consecutive years with effect from 2<sup>nd</sup> March, 2022 and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** any one of the Directors company be and is hereby severally authorised to do all such acts, deeds and things including signing and issuing letter of authority and to complete

all other formalities as may be required in this regard.”

- 7) To consider and if thought fit, to pass the following resolution as **“Special Resolution”** for appointment of Ms. Sridevi Madati (DIN:02446610) for the First Time as Non-Executive Woman Independent Director of the Company.

**“RESOLVED THAT** in continuation and partial modification to the members approval dt.09.04.2022 (through Postal Ballot) and in pursuance to the provisions of Sec.149 read with Schedule IV of the Companies Act, 2013 (the Act), Companies (Appointment and Qualification of Directors) Rules, 2014 and Reg.25 (2A) and other applicable provisions of SEBI (LODR) Regulations, 2015 (including any statutory modifications or re-enactment thereof, for the time being in force) Ms. Sridevi Madati (DIN:02446610) who has submitted a declaration that she meet the criteria for Non-Executive Woman Independent Director as provided in Sec.149 (6) of the Act and who is eligible for appointment and in respect of whom the company has received a Notice in writing with requisite deposit from a Shareholder / Member proposing her candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company for a Term of (3) three consecutive years with effect from 11<sup>th</sup> November, 2021 and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** any one of the Directors company be and is hereby severally authorised to do all such acts,



deeds and things including signing and issuing letter of authority and to complete all other formalities as may be required in this regard.”

- 8) To consider, and if thought fit, to pass with or without modification, the following Resolution which is proposed as a **“Special Resolution”** for Creation of security in favour of M/s. Punjab National Bank for availing Term Loan under Term Loan/Capex LC.

**“RESOLVED THAT** the consent by way of approval of the members is hereby accorded to the Company in terms of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 for creation/to be created of mortgage and/charge by the Board of Directors of the Company of “Specific charge on Capital goods (brought by availing the said financial assistance) of the Company” wheresoever situate, present and future of the Company together with power to take over the management of the business and concern of the Company in certain events, to or in favour of Punjab National Bank for creation/ to be created of security on specific first charge on fixed assets as under.

Name of the Lender	Rs. in Cr
M/s. Punjab National Bank	25.00

together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other moneys payable by the company to the Lenders

under their Loan agreements in respect of the said financial assistance.

**RESOLVED FURTHER THAT** Sri K. Karunakar Rao, Executive Director (Fin. & Comml.) and Sri V. Radhakrishna Murthy, CGM & Company Secretary are authorised severally to carryout any corrections, changes or modifications of any terms and conditions as may be required by Banks for giving effect to the resolution.”

- 9) **Approval for Material Related Party Transactions.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to ratify/approve all existing contracts/ arrangements/ agreements/transactions for the year



2021-22 aggregate value of Rs.193.20 Cr (Sales Rs.143.59 Cr. and Purchase Rs.48.28 Cr + Others Rs.1.33 Cr) as against shareholders approval for an aggregate amount of Rs.253.60 Cr (Sales Rs.137.61 Cr, Purchases Rs.114.66 Cr and Others Rs.1.33 Cr) accorded in the 39<sup>th</sup> AGM) and to enter into new/further contracts/arrangements/agreements/transactions with related parties M/s. Sree Rayalaseema Hi-Strength Hypo Limited (SRHHL) to the aggregate value of Rs.302.00 Cr (Sales Rs.175 Cr + Purchase Rs.125 Cr + Others Rs.2.00 Cr estimated) for the year 2022-23 clearly mentioned in the explanatory statement (including any modifications, alterations or amendments thereto), in the ordinary course of business and on arm's length basis with 'Related Parties' within the meaning of the Act and the Securities of Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as more particularly enumerated in the explanatory statement to the Notice and on such terms and conditions as may be agreed between the Company and related parties.

**RESOLVED FURTHER THAT** the shareholders ratify the aggregate sales to M/s. SRHHL of Rs.143.59 Cr for 2021-22 and further noted that it is Rs.5.98 Cr more than estimated aggregate sale value Rs.137.61 Cr as approved by members in the previous (39<sup>th</sup>) AGM.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents and writings, on

an ongoing basis, as may be necessary, proper or expedient for the purpose of giving effect to the above resolution."

- 10) To consider and if thought fit, to pass with or without modification(s), the Following Resolution as an **"Ordinary Resolution"** **Ratification for Re-appointment and Remuneration of Cost Auditor.**

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of M/s. Aruna Prasad & Co., (Regn.No.100883) Proprietrix : Aruna Prasad as Cost Auditors of the Company by the Board of Directors of the Company in its meeting held on 19.05.2022 (upon the recommendation of Audit Committee in its meeting held on 19.05.2022) on a remuneration of Rs.1,75,000/- plus GST and reimbursement of out of pocket expenses, to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2023, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By order of the Board  
Sd/-

Place : Hyderabad      **CS V. RADHAKRISHNA MURTHY**  
Date : 10<sup>th</sup> August, 2022      **COMPANY SECRETARY**



**NOTES :**

1. Explanatory statement as required under section 102 of the Companies Act, 2013 is annexed hereto
2. The Board in its meeting held on 10-08-2022 has approved the company's proposal to conduct 40<sup>th</sup> Annual General Meeting through (Video Conference) VC / OAVM (Other Audio Visual Means) instead of physical Annual General Meeting in compliance of General Circular No.2/2022 dated 05.05.2022 and General Circular No.20/2020, dated 05.05.2020 and after due examination, it has been decided to allow companies whose AGMs were due 31.12.2022, or become due in the year 2022, to conduct their AGMs on or before 30.09.2022/31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No.2/2022 dated 05.05.2022 and General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021 issued in view of continuation of Covid-19 pandemic.
3. Further, it has been decided that physical copies of Annual Reports will not be sent by post to Members and instead only soft copy of Annual Report (including Notice of AGM) will be sent to Registered email\_ids of shareholders in pursuance to MCA Circular No. 17/2020 dated April 13, 2020 & 12.05.2020 and SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020 and SEBI/HO/CFD/CMD21/CIR/P/2022/162 dated 13.05.2022 Shareholders can view soft copy of the Annual Report on company's website [www.tgvgroup.com](http://www.tgvgroup.com) and BSE Website and also on RTA Website.

Since the company has opted for convening Annual General Meeting through VC/OAVM, there will not be any provision for physical

ballot voting. Members who have participated in Annual General Meeting through VC/OAVM mode can cast their vote through e-voting at the time of Annual General Meeting (provided that he has not cast his vote through remote e-voting).

4. Pursuant to Sec.91 of the Companies Act, 2013 and Regulation 42 of SEBI (LODR) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed for 6 (Six) days i.e. from 10-09-2022 to 15-09-2022 (both days inclusive).
5. Non-resident Indian Shareholders are requested to inform us immediately :
  - a) the change in Residential Status on return to India for permanent settlement.
  - b) the particulars of Bank/NRE Account, if not furnished earlier.

Shareholders who have not registered their email\_ids are requested to register / update immediately to enable the company to send soft copy of Annual Report of the ensuing Annual General Meeting and for future communication.

**ATTENTION**

Members may kindly aware that as per SEBI Circular No. SEBI/HO/MIRSD/ MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021, all the Members / Shareholders holding shares in Physical Form shall submit required documents regarding PAN / KYC (Know your Customer) and Nominee Details on or before 31.03.2023 without fail.

The Documents to be submitted under KYC are under :





- 1) Form ISR - 1 -> Request for Registering PAN, KYC Details or Change / Updation thereof.
- 2) Form ISR - 2 -> Confirmation of Signature of Securities Holder by the Banker.
- 3) Form ISR - 3 -> Declaration Form for Opting-Out of Nomination by Holders of Physical Securities in Listed Companies.
- 4) Form ISR - 4 -> Request for Issue of Duplicate Share Certificate and Other Service Requests.
- 5) Form SH-13 -> Nomination Form
- 6) Form SH-14 -> Cancellation or Variation of Nomination.

In view of the above, shareholders complaints / enquiries will not be entertained for Demat / Transmission(s) / Issue of Duplicate Share Certificates etc., will not be entertained from 01.04.2023 until they submit necessary documents for PAN / KYC and Nomination and register the details with RTA / Company.

**LAST DATE : 31.03.2023**

Members / Shareholders are hereby requested to verify your folios and update if required.

Members / Shareholders can download PAN / KYC and Nomination Forms on the Company's Website : [www.tgvgroup.com](http://www.tgvgroup.com) and RTA Website : [www.aarthiconsultants.com](http://www.aarthiconsultants.com)

electronically on the resolutions mentioned in the notice of 40th Annual General Meeting of the Company dated 15th September, 2022. The Company has appointed Mr M. Nirmal Kumar Reddy, B.Com., F.C.A., I.S.A, I.R.M., Practicing Chartered Accountant as the Scrutinizer for conducting and completing the E-voting counting process in a fair and transparent manner.

The E-voting rights of the Shareholders / beneficial owners shall be reckoned on the equity shares held by them as on 9th September, 2022. The instructions for Members for voting electronically are as under :

### **CDSL e-Voting System – For Remote e-voting and Joining Virtual meetings e-voting during AGM / EGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and General Circular No.2/2022 dated 05.05.2022. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and May 05, 2022 the

### **E-Voting:**

The Company is pleased to provide E-Voting facility through Central Depository Services (India) Limited (CDSL) for all members of the Company to enable them to cast their votes



- Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/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 and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
  4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
  5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020 read with Circular No.02/2022 dated May 05, 2022, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
  6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.tgvgroup.com](http://www.tgvgroup.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
  7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2022 dated May 05, 2022.
  8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021, Circular No.02/2022 dated May 05, 2022.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1:** Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 11-09-2022 at 9.00 A.M and ends on 14-09-2022 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 09.09.2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) 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.

**Step 1 :** Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) 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.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/ NSDL** is given below:



Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b></p>	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; 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.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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</li> </ol>



<b>Type of shareholders</b>	<b>Login Method</b>
	<p>and you will be able to 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 &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 &amp; voting during the meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p>	<p>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 &amp; voting during the meeting.</p>



**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 toll free no. 1800 22 55 33
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

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) 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.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

**For Shareholders holding shares in Demat Form and Physical Form :**

PAN	<p><b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b></p> <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul>



- (i) After entering these details appropriately, click on "SUBMIT" tab.
- (ii) 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.
- (iii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) Click on the EVSN for the relevant TGV SRAAC Limited on which you choose to vote.
- (v) 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.
- (vi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (vii) After selecting the resolution, you have decided 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.
- (viii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (x) 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.
- (xi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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.





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- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, 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 mandatory 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; sralkalies@tgvmail.net (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
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 Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  7. 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 **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for 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 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/EGM.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM 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 EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may 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/MOBILE NO. 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) by email to **Company/RTA email id**.
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.**

By order of the Board  
Sd/-

Place : Hyderabad      **CS V. RADHAKRISHNA MURTHY**  
Date : 10<sup>th</sup> August, 2022      **COMPANY SECRETARY**

## **EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013)

The following Statement, as required under Section 102 of the Companies Act, 2013, sets out all material facts relating to the items of Special Business mentioned in the accompanying Notice.

### **ITEM NO.4**

The Shareholders of the Company at its 35<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2017 had appointed M/s, K.S. Rao & Co., Chartered Accountants (Firm Regn.No.003109S) as the Statutory Auditors of the Company to hold office for a period of Five (5) consecutive years from the conclusion of 35<sup>th</sup> Annual General Meeting till the conclusion of 40<sup>th</sup> Annual General Meeting. M/s. K.S. Rao & Co., will complete their present term on conclusion of this Annual General Meeting in terms of the said approval and Sec.139 of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company on the recommendation of the Audit Committee at their meeting held on 10.08.2022 approved subject to the approval of the Shareholders at this Annual General Meeting, recommended the proposal for appointment of M/s. Brahmayya & Co., Chartered Accountants (Firm Regn. No.000515S) as Statutory Auditors to carryout Statutory Audit and Limited Review of Quarterly Financial Results of the Company for a term of Five (5) consecutive years from the conclusion of this (40<sup>th</sup>) Annual General Meeting upto the conclusion of 45<sup>th</sup> Annual General Meeting.



The Company considered various parameters for evaluation of potential Statutory Auditor and found that M/s.M/s. Brahmayya & Co., Chartered Accountants is eligible for appointment.

Further, the Company received a consent letter from M/s. Brahmayya & Co., Chartered Accountants (Firm Regn. No.000515S) to the effect that their appointment if made, would be in accordance with the conditions prescribed under Sec.139 (1) of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014, and they are not disqualified for such appointment within the meaning of Sec.141 of the Companies Act, 2013.

None of the Directors / Key Managerial Personnel (KMP) and their relatives is / are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution No.4 of the Notice.

#### **ITEM NO. 5**

The members may be aware that the Board in its meeting held on 10-08-2022 has appointed Ms. Geeta Ramesh Serwani (DIN:09130636) as an Additional Director (after consideration of Nomination & Remuneration Committee recommendation dt.18-07-2022) pursuant to the provisions of Section 161 of the Act.

The Company has received a communication in writing in Form DIR-2 from Ms. Geeta Ramesh Serwani in pursuance to Rule 8 of Companies (Appointment and qualification of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of Companies (Appointment and qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section 2 of Section 164 of Companies Act, 2013.

Further, it may please be noted that in terms of provisions of Section 149, 150, 152, Schedule IV of the Act read with Companies (Appointment and qualification of Directors) Rules, 2014 and SEBI (LODR) Regulations, 2015 the Board has appointed Ms. Geeta Ramesh Serwani as Non-Executive Independent Director for a period of (3) three consecutive years effective from 10-08-2022 subject to shareholders approval.

In the opinion of the Board and Nomination & Remuneration Committee Ms. Geeta Ramesh Serwani, who is proposed to be appointed as Non-Executive Independent Director of the company as explained above fulfils the criteria specified under Section 149(6) and Schedule IV of the Act and considering her qualification and experience.

The company has received a notice in writing from a shareholder along with the requisite deposit proposing the candidature of Ms. Geeta Ramesh Serwani for the office of Non- Executive Independent Director in pursuance to the provisions of Section 160 read with Section 149 of the Act.

None of the Directors (except Ms. Geeta Ramesh Serwani,), Key Managerial personnel of the company or their relatives is deemed to be interested in this resolution.

Your Directors commend the special resolution as set out in the notice for your approval.

#### **ITEM NO. 6**

Members may be aware that they have given approval / ratification for appointment of Ms. Hima Bindu Sagala (DIN:09520601) as Non-Executive Independent Director through Postal



Ballot Dt.09.04.2022 by way of Ordinary Resolution in pursuance to the provisions of Companies Act, 2013 since this is the first time appointment of the Director.

Recent Amendment notified by SEBI (LODR) Regulations, 2015 more particularly Reg.25 (2A) requires members approval by way of Special Resolution instead of Ordinary Resolution even in case of first time appointment of Independent Director. To comply with these provisions, the Special Resolution is recommended by the Board in its meeting held on 10-08-2022 (after consideration of recommendation of Nomination and Remuneration Committee meeting Dt.18-07-2022) for being placed in the Notice of Annual General Meeting again for members approval / ratification.

Members approval by way of Special Resolution now in Annual General Meeting is in continuation or in addition to earlier approval of members through Postal Ballot Dt.09.04.2022 is sought as clearly mentioned in Item 6 of Notice of this Annual General Meeting.

None of the Directors except Ms. Hima Bindu Sagala (DIN:09520601) Key Managerial Personnel (KMP) or their relatives of the company is deemed to be interested in this resolution.

Your Directors commend the Special Resolution as set in the Notice for your approval / ratification.

### **ITEM NO. 7**

Members may be aware that they have given approval / ratification for appointment of Ms. Sridevi Madati (DIN:02446610) Non-Executive Woman Independent Director through Postal

Ballot Dt.09.04.2022 by way of Ordinary Resolution in pursuance to the provisions of Companies Act, 2013 since this is the first time appointment of the Director.

Recent Amendment notified by SEBI (LODR) Regulations, 2015 more particularly Reg.25 (2A) requires members approval by way of Special Resolution instead of Ordinary Resolution even in case of first time appointment of Independent Director. To comply with these provisions, the Special Resolution is recommended by the Board in its meeting held on 10-08-2022 (after consideration of recommendation of Nomination and Remuneration Committee meeting Dt.18-07-2022) for being placed in the Notice of Annual General Meeting again for members approval / ratification.

Members approval by way of Special Resolution now in Annual General Meeting is in continuation or in addition to earlier approval of members through Postal Ballot Dt.09.04.2022 is sought as clearly mentioned in Item 7 of Notice of this Annual General Meeting.

None of the Directors except Ms. Sridevi Madati (DIN:02446610) Key Managerial Personnel (KMP) or their relatives of the company are their relatives or deemed to be interested in this resolution.

### **ITEM NO. 8**

The Company has availed Term Loan/Capex LC of Rs.25.00 Cr sanctioned by M/s. Punjab National bank (PNB) vide their Sanction Letter dtd.21.03.2022 with the Board approval dt.19.05.2022. In terms of the said sanction letter the company has created / to create security of "Specific charge on Capital goods (brought



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by availing the said financial assistance) of the Company” and is in the process of creating security in respect of Rs.25.00 Cr loan for which appropriate special resolution is placed seeking members approval by way of ratification/ approval to comply with terms and conditions of sanction letter of M/s. Punjab National Bank.

Your Directors recommended the Special Resolution as set out in the Notice for your approval.

None of the Directors/Key Managerial Personnel (KMP) / their relatives is deemed to be interest in the Special Resolution.

### ITEM NO. 9

Shareholders attention is brought to the 39<sup>th</sup> Annual General Meeting held on 27.09.2021 in which prior approval for Related Party Transactions to M/s Sree Rayalaseema Hi-Strength Hypo Limited (SRHHL) given for Sales is Rs.137.61 Cr, Purchase Rs.114.66 Cr and Others Rs.1.33 Cr (Total Rs.253.60 Cr) was given by the shareholders vide Item No.6 of the Notice of AGM. The approval limit is applicable for 2021-22. Whereas as 10% of the previous year Audited Turnover i.e. for 2020-21 comes to Rs.100.87 Cr (less than 1000 Cr). The Actual Related Party Transactions (Sales) for 2021-22 which is “Material” as per SEBI (LODR) Regulations, 2015 comes to Rs.143.59 Cr since it exceeds 10% of previous year Turnover as explained above.

Pursuant to Sec.188 of the Companies Act, 2013, Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 read with Reg.23 of SEBI (LODR) Regulations, 2015 requires shareholders approval for Material Related Party Transactions explained above. Even though shareholders in the 39<sup>th</sup> AGM has given prior approval for related party transactions (2021-22) is given for an aggregate value of Rs.253.60 Cr (Rs.137.61 Cr + Rs.114.66 Cr + Others Rs.1.33 Cr) the actual related party transactions for 2021-22 comes to Rs.193.20 Cr (Rs.143.59 Cr + Rs.48.28 Cr + Rs.1.33 Cr) as detailed in the table and hence shareholders approval by way of ratification for excess value of Rs.5.98 Cr in case of Sales i.e., over and above estimated value approved by shareholders.

In compliance of the above statutory provisions, apart from Audit Committee (Meeting Dt.19.05.2022) members prior approval for Material Related Party Transactions (Sales Rs.175 Cr and Purchase Rs.125 Cr estimated for 2022-23) to the aggregate value of Rs.302.00 Cr as clearly explained in the table is required for which the resolution has been recommended in the Board Meeting Dt.10-08-2022 for your approval. The details of Actual (for 2021-22) and Estimated (2022-23) Related Party Transactions (Omnibus approval) are furnished hereunder:

(₹ in Crores)

Name of the Related Party	Actuals for 2021-22				Estimates for 2022-23			
	Sales	Purchases	Others	Total	Sales	Purchases	Others	Total
Sree Rayalaseema Hi-Strength Hypo Limited (SRHHL)	143.59	48.28	1.33	193.20	175.00	125.00	2.00	302.00



It may kindly be noted that all Related Party Transactions are having Omnibus approval of the Audit Committee and Board. Related Party Transactions are entered during the ordinary course of business and are at arm's length. These transactions are subject to transfer price audit to comply with statutory provisions. 98.6% of Related Party Transactions are between two Listed Companies and these transactions are mutually beneficial.

None of the Directors /Key Managerial Personnel (KMP) of the Company / their relatives except the promoters are, in any way, concerned or interested in passing the Resolution set out in Item No.9 of the Notice.

Your Directors recommend the above resolution for your approval.

### **ITEM NO.10**

The Board of Directors after taking into account the recommendation of Audit Committee in its meeting held on 19.05.2022 has appointed M/s.Aruna Prasad & Co., (Regn.No.100883) Proprietrix: Mrs.Aruna Prasad as Cost Auditor for the Financial year 2022-23 on a remuneration of Rs.1,75,000/- plus GST and reimbursement of out of pocket expenses to conduct Cost Audit of cost records of the Company in compliance of MCA Notification Ref. No.52/56/CAB-2010, Dated 06-11-2012. As per the provisions of Section 148 of the Act, payment of remuneration and appointment of Cost Auditors requires Members ratification for the action taken by the Board as explained above.

None of the Directors /Key Managerial Personnel (KMP) of the Company / their relatives is, in any way, concerned or interested in passing the Resolution set out in Item No.10 of the Notice.

The Board of Directors pleased to recommend the Resolution set forth in Item No.10 for your approval.

#### **Details of Directors seeking Appointment/Re-Appointment at the forthcoming Annual General Meeting (Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015**

Sl.No.	Name of the Director	Ms. Sridevi Madati	Ms. Hima Bindu Sagala
1.	Date of Birth	10-01-1977	26-03-1983
2.	Date of Appointment	11-11-2021	02-03-2022
3.	Experience in Specific areas	She is a qualified Practicing Company Secretary having more than 18 years post qualification experience. She is also a qualified Resolitional professional well versed with Corporate Affairs, SEBI, RBI and Securities Laws and Corporate Governance.	She is having experience of more than 10 years in the following areas. She is a qualified practicing Chartered Accountant. Started her career with Manohar Choudary Associates having experience in the field of Auditing, Taxation, Appeals before ITAT etc., At present partner in M/s. S.T. Mohite & Co., a Chartered Accountant firm.



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Sl.No.	Name of the Director	Ms. Sridevi Madati	Ms. Hima Bindu Sagala
4.	Qualifications	B.Com., LLB, MDBA, FCS and IRB (Resolutorial Professional)	M.Com., FCA, ICWA (Inter)
5.	Shareholding in the Company	Nil	Nil
6.	Directorship in other Listed Entities	1. Danlaw Technologies India Ltd. 2. Maks Realtors Private Ltd. 3. Sigachi Laboratories Ltd.	Nil
7.	Membership in Committees in other Listed Entities	Nil	Nil

Sl.No.	Name of the Director	Ms. Geeta Ramesh Serwani
1.	Date of Birth	19-08-1986
2.	Date of Appointment	10-08-2022
3.	Experience in Specific areas	She is a qualified Practicing Company Secretary having more than 11 years post qualification experience. She is having good exposure in the fields of NCLT matters and Resolutions, Insolvency & Bankruptcy Code (IBC), Securities Law, RBI Compliances and other Compliances.
4.	Qualifications	B.Com., LLB, FCS and ICWA (I)
5.	Shareholding in the Company	Nil
6.	Directorship in other Listed Entities	Nil
7.	Membership in Committees in other Listed Entities	Nil

By order of the Board

Sd/-

**CS V. RADHAKRISHNA MURTHY**  
**COMPANY SECRETARY**

Place: Hyderabad  
Date : 10<sup>th</sup> August, 2022




**DIRECTORS' REPORT**

Dear Members,

Your Directors' have pleasure in presenting the Annual Report and the Audited statements of Accounts of the Company for the year ended 31<sup>st</sup> March, 2022.

**1. Operations**

The turnover (Gross) for the year under review is Rs.177519 Lakhs as compared to Rs.116822 Lakhs in the previous year. The 52% increase is on account of the following changes in respective Division's performance.

**2. Division / Segment Wise Performance**

For the current year net sales for Caustic Soda plant is Rs.88253 lakhs whereas for the previous year net sales is Rs.49502 lakhs showing a increase of 78%.

For the current year net sales for Caustic Potash Plant is Rs.24749 lakhs, whereas for the previous year net sales is Rs.22018 lakhs showing an increase of 12%.

For the current year net sales for Chloromethanes Plant is Rs.29765 lakhs, whereas net sales for previous year is Rs.14664 lakhs showing an increase of 103%.

For the current year net sales for Castor Oil Plant is Rs.1533 lakhs, whereas for the previous year net sales is Rs.2780 lakhs showing a decrease of 45%.

For the current year net sales for Fatty acid plant is Rs.7039 lakhs, whereas for the previous year net sales is Rs.10772 lakhs showing a decrease of 35%.

There are no commercial operations at Bellary Power Plant due to expiry of Power Purchase Agreement (PPA) by KPTCL. The Company is looking out for other viable options including its sale or relocation of the Plant.

The Wind Farm at Ramagiri has generated 4.39 Lakh/KWH power in the current year as against previous year generation of 5.88 Lakh/KWH. The decrease in power generation due to weather conditions. The power generated is wheeled through State Grid to the Company for captive use.

**3. Outlook for the Current Year**

Segment-wise discussion is furnished in Management Discussion and Analysis annexed to this report in "ANNEXURE – E".

**FINANCIAL RESULTS**

(₹ in lakhs)

Particulars	31.03.2022	31.03.2021
Profit before Finance Costs & depreciation	32399.26	15141.86
Less: Finance Cost	4601.54	3937.28
Profit before Depreciation	27797.72	11204.58
Less: Depreciation	6862.36	6318.03
Profit (Loss) before Exceptional items and Tax	20935.36	4886.55
Less: Exceptional items	-	-
Profit/Loss Before Tax	20935.36	4886.55
<b>Tax Expense:</b>		
Less: -Current Tax	3591.94	900.00
-Deferred Tax	3885.24	959.12
-Earlier years Income Tax	5.47	55.68
Profit for the period from continuing operations	13452.71	2971.75
Less : Loss from discontinuing operations	54.77	76.51
Tax expenses of discontinuing operations	19.14	-
Profit/loss from discontinuing operations (After tax)	35.63	76.51
Profit for the period	13417.08	2895.24
Add: Balance Carried from Previous year	13287.71	10498.27
Profit available for Appropriation	26704.79	13393.51
Less: Transfer to		
General Reserve	(5000.00)	(2500.00)
MAT credit for previous year	-	2371.09
Less: Transfer to/from reserves to other		
Comprehensive Income	(168.69)	23.11
Surplus carried forward to next year	21536.10	13287.71



Profit before tax for the current year Rs.20935.36 lakhs as against previous year Profit before tax of Rs.4886.55 lakhs. For the Current year Profit after tax is Rs.13452.71 lakhs as against Profit after tax for the previous year of Rs.2971.75 lakhs. The increase in profit is attributable to good demand and better realisation for company main products coupled with commissioning of Chloromethanes expansion project.

#### 4. Capital Expenditure

During the year the Company has incurred capitalised expenditure of Rs.196.82 Cr (mainly towards Modernisation, Chloromethanes Expansion Projects) Further, Capital Work-in- progress at the year end comes to Rs.55.42 Cr (mostly relating to Solar Power and Others).

#### 5. Dividend

In view of future needs and liquidity constraints your Directors have not recommended any dividend on Equity Shares.

#### 6. Continuation of Covid-19 Pandemic Situation

In tune with the Government Directions / Orders the Company has taken proactive and preventive measures to contain and avoid COVID-19 attack. Also as a part of CSR activity and responsibilities, the company has spent sizeable amounts to mitigate with COVID-19 Pandemic in and around local area. The Company is ensuring continuation of all preventive measures like Sanitation, Distance Maintenance and Issue of Masks to all the concerned since the COVID-19 Pandemic is not completely eradicated in the world and it may erupt if we are negligent.

#### 7. Safety and Environment

Your Company and Management strongly believes the importance of environmental balance and safety of men, material, machinery and its alignment with other segments of society for better and effective results. To ensure 100% safety and pollution control, the company is taking all possible preventive and proactive steps with the help of subject experts and outside agencies and periodical review of related committees for improvement of procedures enunciated in policies for achievement of desired objectives.

In recognition of efforts of the company towards this end for pollution free environment along with safety consideration in every aspect, the company has been awarded ISO 9002, 14001 Certification by renowned Institution DNV. It implies that the company is adhering to standard procedures to ensure pollution control, balance and implementation of safety related aspects.

Senior level management officer with exposure and experience in these aspects is entrusted with the responsibility to ensure every minute safety and preservation of environmental ecology. To ensure safety related aspects awareness among all related stakeholders, and equip the staff with innovative and new technologies and equipment, regular mock drills and exercises were conducted and concerned technical committees hold regular meetings periodically to review and ensure full proof execution of plans and procedures for better results in these matters. Further, the company is complying with all statutory and



non-statutory provisions relating to environmental balance, pollution control and safety.

### 8. Listing Fees

The Company has paid Listing Fee for the year 2022-23 to Bombay Stock Exchange vide our letter dated 26.04.2022.

### 9. Insurance

Assets of the Company are adequately insured.

### 10. Fixed Deposits

The Company has not accepted any fixed deposits during the year and there are no fixed deposits outstanding as on 31.03.2022.

### 11. Directors and Key Managerial Personnel (KMP)

The Company is not having regular Chairman of the Board after Resignation of the then Chairman Sri T.G. Venkatesh (15.05.2020). The Board of Directors present at each meeting will elect one among them as Chairman of the particular meeting until regular Chairman was appointed.

Sri J. Nagabhushanam has completed his Second and Final Term as Independent Director on 16.09.2021 and Dr M. Asha Reddy has completed her Second and Final Term as Independent Director on 27.09.2021. The Board in its meeting held on 11.11.2021 has appointed Ms M. Sridevi, as Independent Director and Ms S. Hima Bindu was appointed as Independent Director by the Board in its meeting held on 02.03.2022 for a Term of 3 years subject to Shareholders approval to fill the above vacancies.

Sri Gopal Krishan has resigned as Executive Director (Technical) and Director effective from 30.11.2021 on personal grounds. The Board of Directors through Circular Resolution dt.22.11.2021 has approved the same effective from 30.11.2021. Sri G. Krishna Murthy has resigned as Director vide his letter dt.16.12.2021 on personal reasons and the same was approved by the Board of Directors through Circular Resolution dt.18.11.2021.

Sri K. Karunakar Rao, Executive Director & CEO, Sri N. Jesvanth Reddy, Executive Director (Technical) and Sri C. Srinivasa Babu, Executive Director (Technical) were re-appointed by the Board recommendation for a term of two years with revised remuneration as Executive Directors and the same was ratified by the Shareholders by way of Postal Ballot Results which were declared on 09.04.2022.

Appropriate resolutions were placed in the Notice of Annual General Meeting for ratification of appointment of Ms M. Sridevi and Ms S. Hima Bindu as Independent Directors by way of Special Resolution to comply with amended provisions of Reg.18 of SEBI (LODR) Regulations, 2015 (eventhough shareholders ratified their appointment through Postal Ballot Dt.09.04.2022 by way of Ordinary Resolution in pursuance to the provisions of Sec.149 of the Companies Act, 2013).

The Board in its meeting held on 10.08.2022 has appointed Ms. Geeta Ramesh Serwani (DIN:09130636) as Additional Director designated as Non-Executive Independent Director on consideration of recommendation of Nomination and Remuneration Committee recommendation



dt.18.07.2022 subject to members approval by way of Special Resolution at the AGM.

### 12. Industrial Relations

Your Company's Industrial Relations continue to be harmonious and cordial.

### 13. Energy Conservation Technology Absorption and Foreign Exchange earnings and outgo

Particulars required to be disclosed under Section 134 (3) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2022 is annexed hereto as "Annexure – A" to this report.

### 14. Directors' Responsibility Statement

As required by the provisions of Section 134 (3) (C) of the Companies Act, 2013, Directors' Responsibility Statement is attached as "Annexure – B".

### 15. Corporate Governance – Reg.34 (3) read with Schedule-V of SEBI (LODR) Regulations, 2015

A separate report on Corporate Governance (Annexure - C) is being incorporated as a part of the Annual Report along with a certificate from the Auditors of the Company (Annexure - D) regarding compliance of the conditions of Corporate Governance. The "Annexure C and D" are attached to this report.

### 16. Management Discussion and Analysis Report

Further to comply with Reg. 34(2) (e) Schedule-V of SEBI (LODR) Regulations, 2015

"Management Discussion and Analysis" has been given as "Annexure - E" to the Directors' Report.

### 17. Auditors

Members may be aware that the Term of existing Auditors M/s. K.S. Rao & Co., Chartered Accountants, will be completed at the conclusion of ensuing Annual General Meeting (AGM) pursuant to the shareholders approval dt.27.09.2017. On consideration of Audit Committee Recommendation, the Board in its meeting held on 10.08.2022 has appointed M/s. Brahmayya & Co., Chartered Accountants (Firm Regn. No. 000515S) as Statutory Auditors of the Company for a Term of 5 consecutive years subject to Shareholders approval in the ensuing Annual General Meeting.

M/s. Brahmayya & Co., Chartered Accountants (Firm Regn. No. 000515S) the proposed Auditors have given their consent letters to comply with Statutory Provisions.

The term of Statutory Auditors M/s. Brahmayya & Co., Chartered Accountants (Firm Regn. No. 000515S) will begin after the conclusion of the ensuing Annual General Meeting and end on conclusion of Annual General Meeting to be held for the year 2027.

### 18. Cost Audit

Majority of the products manufactured by the Company are coming under Central Govt. order Letter Ref. No. 52/26/CAB-2010 dated 06.11.2012. To comply with statutory provisions, Cost Audit Report has been filed in Form CRA-4 in XBRL format vide SRN : T58887886 dt.17.11.2021 with MCA portal



for the financial year 2020-21. The cost audit report for the financial year ended 31<sup>st</sup> March, 2022 is being submitted in due course.

### **Disclosure on maintenance of Cost records**

The Company made and maintained the cost records prescribed under Sec.148 of the companies Act, 2013 for the financial year 2021-22.

### **19. Audit Committee**

The Audit Committee was constituted to comply with provisions of Regulation 18 of SEBI (LODR) Regulations, 2015 and other statutory provisions. The Audit Committee was reconstituted on 11.11.2021 and latest finally on 02.03.2022 with the following members namely Sri C. Srinivasa Babu, Ms. M. Sridevi and Ms. S. Hima Bindu as members with Sri P.N. Vedanarayanan as Chairman of the Audit Committee.

### **20. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report**

There are no material changes which will be affected to the financial position of the company according to the date of financial year and the date of its Report.

### **21. Details of significant and material orders passed by Regulators or Courts or Tribunals impacting the going concern status and company's opportunities in future**

There was no significant and material order passed by the Regulator or Court or Tribunal

impacting the going concern status and company's opportunities in future.

### **22. Statement concerning development and implementation of Risk Management Policy of the Company**

Eventhough the Provisions of Risk Management are not applicable to the company, as a matter of good corporate governance and its importance, the company is adhering to the provisions enunciated in SEBI (LODR) Regulations, 2015 in this regard. The existing Risk Management Committee was Reconstituted on 25.03.2022 with Sri K. Karunakar Rao, Executive Director (F&C) as Chairman and a) Ms. S. Hima Bindu, Director b) Sri N. Jesvanth Reddy, Executive Director (Technical) c) Sri C. Srinivasa Babu, Executive Director (Technical) d) Sri P. Raghavendra Reddy, Vice President (Q&A) and e) Sri C. Rajesh Khanna, CFO as Members to oversee the progress and implementation of stipulated procedure and policies for achieving the objectives. The Committee will be making periodically every year to review the activities and to suggest any modifications in policies and procedures that may be required.

### **23. Details of Policy Development and implementation by the company on its Corporate Social Responsibility (CSR) policy.**

The required particulars are furnished to comply with Rule 10 of Companies (Corporate Social Responsibility Policy) Rules, 2014 in the prescribed format as "Annexure – H".

In pursuance of MCA Circular / Notification the details of CSR expenditure relating to



## TGV SRAAC LIMITED

F.Y 2020-21 Form CSR-2 has been filed with ROC / MCA vide SRN: T92897420 dt. 31.03.2022.

### **24. Particulars of Loans, Guarantees or Investments made under Section 186 of the Companies Act, 2013**

During the year the Company has not made any investment in share, given loan and guarantee to any entity.

### **25. Particulars of Contracts or Arrangements made with Related Parties**

During the course of its business, the Company is dealing with the Group Companies which are Related Parties pursuant to the Section 188 of the Companies Act, 2013, Accounting Standard 18 and SEBI (LODR) regulations, 2015. The Sale, Purchase, Lease Rental Transactions, services availed / provided and monetary values of its transactions are mentioned in notes to Accounts to comply with IND AS-24. All the Related party transactions were on arm-length basis and the same are entered with the prior approval of the Audit Committee (omnibus approval) and Board. Further details to be furnished in Form AOC-2 has been given as "Annexure-F" to this report to comply with statutory provisions of Sec.188.

### **26. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the Auditors and the Practicing Company Secretary in their Reports**

Statutory Auditors of the Company and the Practicing Company Secretary, who have conducted statutory audit and Secretarial Audit respectively, have not made any

adverse comments on the activities of the Company for the financial year 2021-22.

### **27. Company's Policy relating to Directors appointment, payment of Remuneration and discharge of their duties**

During the year Nomination and Remuneration Committee was Reconstituted on 28.01.2022 and lastly / finally reconstituted on 02.03.2022 with Sri P.N. Vedanarayanan as Chairman and a) Sri C. Srinivasa Babu b) Ms. M. Sridevi as Members to comply with provisions of SEBI (LODR) Regulations, 2015. The committee will meet periodically and also as and when required to recommend to the Board regarding Appointment / Re-appointment and Fixation of Remuneration to Whole-time / Executive / Non-Executive Directors to comply with Statutory Provisions. Further, to meet the future requirements of the company, it ensures maintenance of relevant data bank and deal with related matters in its meetings. The committee will also review the policy and procedures and its modification to suit changing provisions as and when required.

### **28. Details in respect of adequacy of Internal Financial Controls with reference to the Financial Statements**

The Company has robust internal financial controls (IFC) systems, which is in line with requirement of the Companies Act, 2013, which is intended to increase transparency & accountability in an organization's process of designing and implementing a system of internal control. Our IFC process, facilitates orderly and efficient conduct of its business including adherence to Company's policies,



safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. Risk Control Matrices (RCMs) have been prepared for all Business functions along with the mapping with Functional Dashboard / Compliance Management System / GRC Process Control. The internal control system ensures compliance with all applicable laws and regulations.

To ensure effective Internal Financial Controls, Company has laid down the following measures.

1. Company has defined and documented the Standard Operating Procedures (SOPs) and Delegation of Authority (DOA) which forms the basis for compliance to laid down procedures. The SOPs and DOA are refreshed on a periodic basis.
2. All regulatory compliances are monitored for all locations Pan India through a fully automated tool. Company has a "Zero Tolerance" Policy towards non-compliances.

SAP GRC (with respect to access control) has been implemented which also take care of users' conflict relating to Segregation of Duties (SOD).

### 29. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board in its meeting held on 03.06.2021 has re-appointed

Sri N. Ramaswamy, Practicing Company Secretaries as Secretarial Auditor for the year 2021-22. Secretarial Audit Report for the year ending 31.03.2022 has been Annexed to the Directors' Report as "Annexure – J" to comply with statutory provisions of the Companies Act, 2013 and other applicable provisions of other Acts. The Secretarial Auditor Report does not contain any qualification, reservation or adverse remark. Further, in compliance of Regulation 34(3) read with Schedule V Para C clause 10 (i) of SEBI (LODR) Regulations, 2015 certificate on "non-disqualification of Directors" issued by the Secretarial Auditor is enclosed as "Annexure – K" to this report.

### Compliance with Secretarial Standards

The Company is in compliance with applicable secretarial standards issued by the Institute of Company Secretaries of India and approved by the Central Govt., under Sec. 118 (10) of the Act.

### Annual Secretarial Compliance Report

A Secretarial Compliance Report for the financial year ending 31<sup>st</sup> March, 2022 on compliance of all applicable SEBI Regulations and other guidelines issued thereunder, was obtained from Sri N. Ramaswamy, Secretarial Auditor and submitted to BSE Limited within statutory time limit.

### 30. Annual Return in Form MGT-9 format

A copy of the Extracts of the Annual Return of the Company as required under Section 134 (3)(a) of the Companies Act, 2013, in Form MGT-9, as they stood on the close of the financial year i.e. 31<sup>st</sup> March, 2022 is furnished in "Annexure - G" and forms part of this Report.





Further, a copy of the Annual Return of the Company containing the particulars prescribed u/s. 92 of the Companies Act, 2013, in Form MGT-7, as they stood on the close of the financial year i.e. 31<sup>st</sup> March, 2021 is uploaded on the website of the company in the Investor Relations Section under Disclosures and can be accessed from <https://www.tgvgroup.com/investor-relation/disclosure.html>.

### **31. Subsidiaries, Joint Ventures and Associate Companies**

The Company is not having any Subsidiaries, Joint Ventures and Associate Companies as on 31.03.2022.

### **32. Declaration of Independent Directors**

The Company has received the necessary declaration from each Independent Director in accordance with Section 149 (7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Further, Sri N. Ramaswamy, Practicing Company Secretary has issued appropriate certificate regarding non-applicability of the provisions of Directors disqualification to comply with the provisions of SEBI (LODR) Regulations, 2015.

### **33. Evaluation**

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual Directors by seeking their inputs on various aspects of Board/Committee Governance.

The aspects covered in the evaluation include the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfillment of Directors' obligation and fiduciary responsibilities, including but not limited, to, active participation at the Board and Committee meetings.

The Chairman of the Board had one-on-one meetings with the Independent Directors and the Chairman of the Nomination and Remuneration Committee had one-on-one meetings with the Executive and non-Executive Directors. These meetings were intended to obtain Directors' inputs on effectiveness of Board/Committee processes. The Board considered and discussed the inputs received from the Directors.

Further, the Independent Directors at their meeting, reviewed the performance of Board, Chairman of the Board and of Non-Executive Directors.

### **34. Disclosure as per the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.



The Company has no such cases of sexual harassment at workplace.

### 35. Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the SEBI (LODR) Regulations, 2015 includes an Ethics and Compliance Task Force comprising Senior Executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Task Force or to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and whistle blower policy may be accessed on the Company's website at the link: <http://www.tgvgroup.com>.

### 36. Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund Rules) 2016, ('the Rules'), all unpaid and unclaimed dividends/amounts are required to be transferred by the Company to the IEPF established by the Government of India after the completion of seven years.

The following table provides list of years for which unclaimed dividends/redemption amount would become eligible to be transferred to the IEPF on the dates mentioned below.

#### CRPS Dividend :

Financial Year	CRPS Dividend Declared (%)	Date of declaration of Dividend on CRPS	Last date for claiming unpaid dividend/ amount	Unclaimed Dividend / Amount) as on 31.03.2022(Rs.)	Due date for transfer to IEPF Account
01.04.2002 to 31.03.2016 (14 years)	@ 0.01 per year	27.09.2016	03.11.2023	33,476.00	03.11.2023

#### Fractional Shares Entitlement

Financial Year	Fractional Shares entitlement	Date of payment/ declaration	Last date for claiming unpaid amount	Unclaimed Amount (Rs.) as on 31.03.2022	Due date for transfer to IEPF Account
2016-17	Rs. 39/- per share	27.01.2017	04.03.2024	23,907.00	04.03.2024



## TGV SRAAC LIMITED

### CRPS Dividend (2016-17 & 2017-18) + CRPS Redemption amounts :

Financial Year	Redemption Installments	Date of payment/ declaration	Last date for claiming unpaid amount	Unclaimed Amount as on 31.03.2022 (Rs.)	Due date for transfer to IEPF Account
2018-19	RI – First (*)	01.04.2018	08.06.2025	31,72,300.00	07.05.2025
	NRI – Single (*)	01.04.2018	08.06.2025	4,19,690.00	07.05.2025
	RI - Second including Dividend (2 years) (*)	01.07.2018	08.08.2025	32,15,028.53	06.08.2025
	RI – Third (*)	01.10.2018	08.12.2025	33,04,825.00	06.11.2025
	RI – Fourth (*)	01.01.2019	10.03.2026	33,73,125.00	06.02.2026

(\*) RI means Resident Indian

(\*) NRI means Non-Resident Indian

### 37. Acknowledgement

Your Directors wish to express their sincere thanks to Financial Institutions, Bankers, Distributors and Customers for their continued support to the Company. The Directors also acknowledge with gratitude the continued help and support received

from the various departments of the Government of India and the Government of Andhra Pradesh and Government of Telangana.

The Directors place on record their appreciation of the sincerity, commitment and contribution made by the Employees at all levels and this was mainly responsible to carry on the business of the Company during the year.

On behalf of the Board of Directors

Place : Hyderabad  
Date : 10<sup>th</sup> August, 2022

Sd/-  
**CA K. KARUNAKAR RAO**  
Executive Director & CEO  
(DIN : 02031367)

Sd/-  
**N. JESVANTH REDDY**  
Executive Director (Technical)  
(DIN : 03074131)

**ANNEXURE "A" TO THE DIRECTORS' REPORT**

Particulars pursuant to Rule 8(3) of Companies (Accounts) Rules, 2014.

**A. Conservation of energy**

- 1) Installed 140 TPD Caustic flaking unit with latest technology to conserve thermal energy.
- 2) Replacement of 105 Nos of the Anodes in CEC Electrolysers completed to conserve energy.
- 3) Installed Energy Efficient 750 TR Centrifugal Chiller to conserve energy.
- 4) Replacement of some of the IE2 Electrical motors with IE3 Electrical motors completed to conserve energy.
- 5) Installation of 4.4 MVAR HT Capacitor bank completed to improve the power factor and reduce the reactive power.
- 6) Implementation of online EMS(Energy Monitoring system) to review and monitor the energy conservation

**B. Details of Technology development and research****1. Research and Development (R & D)**

- a) Experiments are in progress to recover Calcium Nitrate and Magnesium sulphate from brine sludge.
- b) Studies are going on for removal of TOC (Total Organic Carbon) from high TDS (Total dissolved Salt) effluent of ERP (Effluent recycling Plant) plant.

**2. Benefits derived as a result of R&D**

1. Use of salt recovered from manufacturing process of other group companies in brine plant of the company has been possible as a result of experiments. This has happened as a result of experimental studies and its successful implementation commercially.

**2. Technology Absorption, Adoption and Innovation**

There is no instances of technology innovation, absorption and adoption during the financial year.

**C. Foreign Exchange Earnings and Outgo**

- a) Activities relating to exports; initiatives taken to increase exports, development of new export markets for products and services, and export plans:
  - i) Exported Hydrogenated Castor Oil, 12 Hydroxy Stearic Acid, Caustic Soda Flakes, Caustic Potash and planning to enlarge exports by increasing export quantity and exploring export possibility for other products.

b) Total Foreign Exchange earned and used	<b>(Rs. in lakhs)</b>
i) Foreign Exchange earned	.... 3103.18
ii) Foreign Exchange used	... 15329.19

On behalf of the Board of Directors

Sd/-

**CA K. KARUNAKAR RAO**  
Executive Director & CEO  
(DIN : 02031367)

Sd/-

**N. JESVANTH REDDY**  
Executive Director (Technical)  
(DIN: 03074131)

Place : Hyderabad  
Date : 10<sup>th</sup> August, 2022



## ANNEXURE "B" TO THE DIRECTORS' REPORT

### Directors' Responsibility Statement Yours Directors Further Confirm that

- i. In the presentation of the Annual Accounts, applicable Accounting Standards have been followed.
- ii. The accounting policies are consistently applied and reasonable, prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the company for that period
- iii. The Directors had 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.
- iv. The Directors had prepared the Annual Accounts on a going concern basis.

On behalf of the Board of Directors

Place : Hyderabad  
Date : 10<sup>th</sup> August, 2022

Sd/-  
**CA K. KARUNAKAR RAO**  
Executive Director & CEO  
(DIN : 02031367)

Sd/-  
**N. JESVANTH REDDY**  
Executive Director (Technical)  
(DIN : 03074131)

## ANNEXURE "C" TO THE DIRECTORS' REPORT

### Report On Corporate Governance

The Management of TGV SRAAC Ltd., hereby confirm and certify that the relevant provisions of SEBI (LODR) Regulations, 2015 dealing with "Corporate Governance" as amended from time to time by SEBI and BSE Ltd., have been complied for the year 2021-22. The Corporate Governance compliance details are furnished hereunder:

#### 1. Company's Philosophy

Your company is firmly believes that by practicing transparency in all activities will automatically lead to adherence of Corporate Governance which in turns leads to attainment to objectives effectively. The company has complied with all the provisions of Corporate Governance before its enactment by SEBI (LODR) Regulations, 2015. This shows the commitment of the management of the company for fair and efficient Corporate Governance. The company's humble philosophy is "SERVING SOCIETY THROUGH HARMONIOUS AND CORDIAL INDUSTRY ACTIVITIES AND RELATIONS" synchronizing socio, economic and human objectives which are backed by principles of concern, commitment, ethics, excellence and learning for improvement in all its activities and harmonious relationships with stakeholders, customers, associates and community at large which has always propelled the Company towards higher horizons.

#### 2. Policies

In compliance with the requirements of Listing Agreements with Stock Exchanges; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("Listing Regulations"), SEBI Regulations and Companies Act, 2013, Board of Directors of the Company has approved various policies, as detailed hereunder.



### **3. Related Party Transaction Policy**

In compliance with the requirements of Regulation 23 of SEBI (LODR) Regulations, 2015 and relevant provisions of Companies Act, 2013 read with IND AS 24, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate senior management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on [www.tgvgroup.com](http://www.tgvgroup.com).

### **4. Policies & Code as per SEBI Insider Trading Regulations**

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and approved (i) Insider Trading code to regulate dealing in the securities of the company by designated persons in compliance with the regulation; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information.

Sri V. Radhakrishna Murthy, Company Secretary of the Company is Compliance Officer for the purposes of Insider Trading Code, while the Chief Executive Officer of the Company has been assigned responsibility fair disclosure policy.

### **5. Familiarisation Program for Independent Directors**

Independent Directors are familiarized with their roles, rights and responsibilities at the time of their appointment as Directors and regular presentations are made to the Board/Board Committees covering business strategies, management structure, periodic financial results, budgets and operations of subsidiaries, if any.

Apart from above policies, the Board has in accordance with the requirements of the Companies Act, 2013 and Listing Regulations approved and adopted Policy for Determining Material Subsidiary, Policy for Determining Material Events, Policy for Preservation of Documents and Archival of Records, Corporate Social Responsibility Policy and Remuneration Policy. These policies can be viewed on Company's Website at [www.tgvgroup.com](http://www.tgvgroup.com).

### **6. Board Procedure**

All the mandatory information as mentioned in SEBI (LODR) Regulations, 2015 are being placed before the Board during its meetings.

### **7. Board of Directors**

The Composition of the Board is in compliance with the guidelines given in SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The Board comprises of Six (6) Directors and majority [Three (3)] of Directors are independent Directors and balance are [Three (3)] are Non-Independent Executive Directors. The day-to-day management of the Company is conducted by one Executive Director & CEO and two Executive Directors (Technical) under the co-ordination of Chairman subject to the superintendence and control of the Board of Directors. During the year the Board was reconstituted at the time of cessation of Sri Gopal Krishan, Sri G. Krishna Murthy, Sri J. Nagabhushanam, Dr M. Asha Reddy and co-opting of Sri C. Sreenivasa Babu as Executive Director (Technical) and also at the time of co-opting Ms. M. Sridevi, Director and Ms. S. Hima Bindu as Independent Directors. The latest reconstitution of the Board was on 02.03.2022 at the time of inducting Ms. S. Hima Bindu. The details of Directors attending the Meetings and Date of the Meetings are further furnished hereunder :



Sl. No.	Name of Director	Category	No. of Board meeting attended during the fy 2022	whether attended last AGM held on September 27, 2021	Number of Director ship in other Public Companies	No of other Committee positions held in other Public Companies		Directorship in other listed entities (Category of Directorship)
						As Chair-man	As Member	
1.	Sri P.N. Vedanarayanan	Director (Independent)	9	Yes	-	-	-	-
2.	Sri G. Krishna Murthy (upto 16.12.2021)	Director (Independent)	3	Yes	-	-	-	-
3.	Sri J. Nagabhushanam (upto 16.09.2021)	Director (Independent)	3	No	-	-	-	-
4.	Dr. M. Asha Reddy (upto 27.09.2021)	Director	3	No	-	-	-	-
5.	Sri K. Karunakar Rao	E.D (F & C)	9	Yes	-	-	-	-
6.	Sri N. Jesvanth Reddy	E.D (Technical)	9	Yes	-	-	-	-
7.	Sri Gopal Krishan (upto 30.11.2021)	E.D (Technical)	4	Yes	-	-	-	-
8.	Sri C. Srinivasa Babu (from 31.07.2021)	E.D (Technical)	7	Yes	-	-	-	-
9.	Ms M. Sridevi (from 11.11.2021)	Director (Independent)	6	No	2	-	-	-
10.	Ms S. Hima Bindu (from 02.03.2022)	Director (Independent)	1	No	-	-	-	-

During the financial year ended 31<sup>st</sup> March, 2022, Eight Board Meetings were held on (1) 03.06.2021 (2) 31.07.2021 (3) 26.08.2021 (4) 11.11.2021 (5) 22.12.2021 (6) 28.01.2022 (7) 12.02.2022 (8) 21.02.2022 and (9) 02.03.2022 respectively.

Further in view of urgency the company has obtained Board of Directors approval on certain Agenda items through Circular Resolutions in pursuance to Sec. 175 of the Companies Act, 2013 (1) 23.09.2021 (2) 22.11.2021 (3) 18.12.2021 (4) 08.03.2022 and (5) 10.03.2022.

## 8. Audit Committee

The composition of the Audit Committee is in accordance with the Regulation 15 of SEBI (LODR) Regulations, 2015 dealing with Corporate Governance guidelines and the provisions of Sec. 177 of the Companies Act, 2013. The main terms of reference of the Audit Committee are;

1. Oversight of the Company's financial reporting process to ensure that the financial statement is correct, sufficient and credible in compliance with IND AS and Companies Act, 2013 and other relevant acts.
2. Recommending to the Board with regard to appointment, re-appointment, fixation of fees etc. of Statutory Auditors, Cost Auditors, Secretarial Auditor etc.
3. Reviewing with management the annual Financial Statement before submitting to the Board with particular reference to Directors Responsibility statement, Changes in Accounting Policies, major accounting entries involving estimates, compliance with other Listing Agreement, disclosure of other related party transactions.



4. Qualifications in draft Audit Report.
5. Reviewing with management quarterly financial statements.
6. The adequacy of internal audit functions.
7. Discussion with statutory auditors before the audit commences.
8. Reviewing the findings of any investigations by the internal auditors etc.
9. Appointment of CFO.
10. Omnibus approval to related party transaction at the beginning of the year and review of quarterly actual related party transactions and recommendation of the same to the Board for its approval.
11. Management discussion and analysis of financial condition and results of operations.
12. Management letters in response of internal control weaknesses issued by the statutory auditors.
13. Internal audit reports relating to internal control weaknesses; and
14. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
15. Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

In addition to quarterly and yearly Un-audited/Audited financial results the Committee deliberate upon the relevant matters mentioned in SEBI (LODR) Regulations, 2015, Companies Act and Cost Audit Report Rules etc. The Committee is headed by Sri P.N. Vedanarayanan, the Senior most independent Director. Majority of (more than 2/3<sup>rd</sup>) the committee members are independent Directors. During the year the Audit Committee was reconstituted on 11.11.2021 and 02.03.2022 by the Board. Latest reconstitution of Audit Committee was done by the Board in its meeting held on 02.03.2022 with the following Directors as its members (1) Sri P.N. Vedanarayanan, Chairman (2) C. Srinivasa Babu, Member (3) Sri Ms. M. Sridevi, Member (4) Ms. S. Hima Bindu, Member.

Sl. No.	Name of the Director	Designation	No. of Meetings	
			Held	Attended
1.	Sri P.N. Vedanarayanan	Chairman	4	3
2.	Sri G. Krishna Murthy (upto 16.12.2021)	Member	3	2
3.	Dr M. Asha Reddy (upto 27.09.2021)	Member	2	2
4.	Sri J. Nagabhushanam (upto 16.09.2021)	Member	2	2
5.	Sri C. Srinivasa Babu (from 12.02.2022)	Member	1	1
6.	Ms M. Sridevi (from 11.11.2021)	Member	2	2

During the financial year ended 31<sup>st</sup> March, 2022, Four Board Audit Committee Meetings were held on (1) 03.06.2021 (2) 31.07.2021 (3) 11.11.2021 and (4) 12.02.2022 respectively.





**9. Nomination and Remuneration Committee**

**Role of Nomination and Remuneration Committee**

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- (3) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (4) devising a policy on diversity of board of directors;
- (5) identifying 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.
- (6) 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.
- (7) recommend to the board, all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Committee was reconstituted by the Board two times during the year on 11.11.2021 and finally on 02.03.2022 with the following Directors as its members. The committee comprises of the following Directors as its members (1) Sri P.N. Vedanarayanan, Chairman (2) Sri C. Srinivasa Babu, Member and (3) Ms. M. Sridevi, Member.

The Non-Executive Directors will be paid sitting fee of Rs.5,000/- per meeting of Board and Audit Committee and Rs.1,500/- for other Sub-committees of the Board. The Executive Directors will not be paid any sitting fee for attending the Board/ Committee meetings.

Sl. No.	Name of the Director	Designation	No. of Meetings	
			Held	Attended
1.	Sri P.N. Vedanarayanan (from 28.01.2022)	Chairman	1	1
2.	Sri G. Krishna Murthy (upto 16.12.2021)	Member	2	2
3.	Sri J. Nagabhushanam (upto 16.09.2021)	Member	2	2
4.	Dr. M. Asha Reddy (upto 27.09.2021)	Member	2	2
5.	Sri C. Srinivasa Babu (from 28.01.2022)	Member	1	1
6.	Ms M. Sridevi (from 11.11.2021)	Member	1	1



During the financial year ended 31st March, 2022, Three Board Nomination & Remuneration Committee Meetings were held on (1) 31.07.2021 (2) 09.09.2021 and (3) 25.02.2022 respectively.

## 10. Stakeholders Relationship and Shareholders / Investors Grievance Committee

The role of the Stakeholders Committee

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity 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 review the actions taken by the company in relieving Investor's Grievances and its response to Stock Exchange, SEBI and other related Government correspondence Stakeholders Relationship Committee and Shareholders/Investors Grievance Committee was reconstituted by the Board during the year on 28.01.2022. The reconstituted committee comprises of the following Directors as its members (1) Sri P.N. Vedanarayanan, Chairman (2) Sri N. Jesvanth Reddy, Member and (3) Ms. M. Sridevi, Member. The details of the committee meetings and composition are detailed hereunder:

Sl. No.	Name of the Director	Designation	No. of Meetings	
			Held	Attended
1.	Sri P.N. Vedanarayanan	Chairman	4	4
2.	Sri G. Krishna Murthy (upto 16.12.2021)	Member	3	3
3.	Dr. M. Asha Reddy (upto 27.09.2021)	Member	2	2
4.	Sri N. Jesvanth Reddy (from 28.01.2022)	Member	1	1
5.	Ms M. Sridevi (from 28.01.2022)	Member	1	1

During the financial year ended 31<sup>st</sup> March, 2022, Four Stakeholders Relationship committee and Shareholders' / Investors Grievance Committee Meetings were held on (1) 09.04.2021 (2) 12.07.2021 (3) 12.10.2021 and (4) 31.01.2022 respectively.

The Committee is vested with the requisite powers and authorities to specifically look into redressal of shareholder and investor grievances to comply with SEBI (LODR) Regulations, 2015. The details of complaints during the year are as follows:

No. of Investor Queries/complaints received in the year 2021-22	Pending at the end of the year	No. of pending Share Transfers
3	NIL	NIL

Sri V. Radhakrishna Murthy, Company Secretary, being the Compliance Officer of the Company and act as the Secretary to all the above Committees.



**11. General Body Meetings**

The last three Annual General Meetings were held as follows :

Financial Year	Day & Date	Time	Venue
2018-19	Monday, 30.09.2019	4.00 P.M	Regd. Office : Gondiparla, Kurnool
2019-20	Monday, 28.09.2020	11.30 A.M	Through (Video conference) VC / OAVM (other Audio Visual Means)
2020-21	Monday, 27.09.2021	11.30 A.M	Through (Video conference) VC / OAVM (other Audio Visual Means)

All Resolutions moved at the last Annual General Meeting were passed by e-voting only to comply with the provisions of the Companies Act, 2013 read with MCA and SEBI circulars were passed with Requisite majority. The last Annual General Meeting of the Company was held on 27.09.2021 and it was attended by Directors viz. Sri G. Krishna Murthy, Sri P.N. Vedanarayanan, Sri K. Karunakar Rao, Sri N. Jesvanth Reddy, Sri Gopal Krishan.

The special business transacted and approved by the members at the previous 3 Annual General Meetings are as follows:

**(A) 2018-19**

1. Appointment and Remuneration of Cost Auditor.
2. Re-appointment of Sri P.N. Vedanarayanan as Independent Director for a term of 3 (three) consecutive years.
3. Re-appointment of Sri G. Krishna Murthy as Independent Director for a term of 3 (three) consecutive years.
4. Re-appointment of Sri Gopal Krishan as Executive Director (Technical) and fixation of remuneration.
5. Approval for material related party transactions.
6. Creation of security in favour of M/s. IFCI Limited for a Rupee Term Loan of Rs. 90 Crore.
7. Creation of security on company fixed assets including Wind Mill Assets (excluding Chloromethanes, Bellary Power Plant division assets) in favour of Banks.
8. Creation of security on company Chloromethanes Assets in favour of members of Banks Consortium.
9. Creation of security on company Bellary Power Plant Assets in favour of members of Banks Consortium.

**(B) 2019-20**

1. Re-classification of Authorised Share Capital and consequent alteration of Memorandum of Association and Articles of Association.
2. Ratification of Appointment and Remuneration of Cost Auditor.
3. Approval for Material Related Party Transactions.
4. Alteration of Articles of Association of the company.
5. Creation of Security in favour of Indian Bank.

**Postal Ballot (2020-21)**

Following Special Resolutions passed by the members under Special Business through Postal ballot. The results of which are declared on 06.04.2020.

1. Reappointment of Sri K. Karunakar Rao, Executive Director (Fin.& Comml.).
2. Reappointment of Sri N. Jesvanth Reddy, Executive Director (Technical).
3. Reappointment of Sri Gopal Krishan, Executive Director (Technical).

**(B) 2020-21**

1. Ratification for appointment of Sri Srinivasa Babu Chappidi (DIN:09266926) as Executive Director (Technical) and for fixation of Remuneration by the Board.
2. Approval for Material Related Party Transactions.
3. Ratification for Re-appointment and Remuneration of Cost Auditor.
4. Creation of security in favour of Indian Bank for availing Term Loan for Chloromethanes Expansion Project.
5. Creation of security in favour of Banks for availing Term Loans under GECL Scheme / COVID Loans.

**Postal Ballot (2022-23)**

Following Ordinary / Special Resolutions passed by the members under Special Business through Postal ballot. The results of which were declared on 09.04.2022.

1. Reappointment of Sri Karunakar Rao Kamisetty, Executive Director (Fin.& Comml.) and fixation of Remuneration – Special Resolution.
2. Reappointment of Sri Jesvanth Reddy Nalla, Executive Director (Technical) and fixation of Remuneration – Special Resolution.
3. Reappointment of Sri Srinivasa Babu Chappidi, Executive Director (Technical) and fixation of Remuneration – Special Resolution.
4. To appoint Ms Hima Bindu Sagala for the first time as Non-Executive Independent Director of the Company – Ordinary Resolution.
5. To appoint Ms Sridevi Madati for the first time as Non-Executive Woman Independent Director of the Company – Ordinary Resolution.
6. Creation of security in favour of Banks for availing Term Loans under GECL Scheme/Covid Loans and increase in Working Capital Limits – Special Resolution.

**12. Disclosures**

None of the transactions with any of the related parties were in conflict with the interests of the Company at large. The details of related party transactions are furnished under Point No.32 - Notes to financial statements of Balance Sheet and Statement of Profit & Loss to comply with Accounting Standard 24. The company has not received any notices from Stock Exchange or SEBI regarding non compliance of statutory provisions. The Company is complying with all mandatory requirements stipulated in SEBI (LODR) Regulations, 2015 and non-mandatory requirements are not yet adopted by the Company.



## TGV SRAAC LIMITED

### 13. Means of Communication

The Company publishes its quarterly, half yearly and annual results in the (1) Business Standard (English) (2) Andhra Prabha (Telugu) newspapers generally.

In addition to this the company is communicating its results to all the Stock Exchanges where the shares are listed. Further quarterly results, shareholding pattern and other related information is placed on the company's website. The company is also making presentations to the Financial Institutions with all the details relating its quarterly results. Further to confirm that the management discussion and analysis report is communicated to shareholders and all the concerned, the report has been made part and of parcel of Annual Report. Further the Quarterly/Half yearly Results are generally posted in Company's Website [www.tvggroup.com](http://www.tvggroup.com).

### 14. General Shareholder Information

- a) **AGM Date, time and Venue** : Thursday, the 15<sup>th</sup> September, 2022 at 11.30 A.M. through Video Conference (VC)
- b) **Tentative Financial Calendar** : The next financial year covers the period from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023
- Un-Audited Financial results for** : First Quarter - July / August, 2022  
Second Quarter - October / November, 2022  
Third quarter - January / February, 2023  
Fourth quarter - April / May, 2023
- c) **Book Closure period** : From 10-09-2022 to 15-09-2022 (both days inclusive)
- d) **Dividend payment date** : Not Applicable
- e) **The Shares of the Company is listed on** : BSE Limited, P.J. Towers, Dalal, Street, Mumbai.  
ISIN No : INE 284B01028, SCRIP CODE : 507753 for EQUITY SHARES
- f) **Market Price Data: The Monthly High and Low of Stock Quotations during the Financial Year 2021-22.**

MONTH & YEAR	EQUITY SHARES	
	HIGH (Rs.)	LOW (Rs.)
April, 2021	35.70	24.35
May, 2021	37.70	32.65
June, 2021	35.50	29.85
July, 2021	44.30	30.00
August, 2021	44.75	32.25
September, 2021	55.80	34.05
October, 2021	66.70	51.80
November, 2021	60.60	44.80
December, 2021	52.00	44.10
January, 2022	69.85	49.95
February, 2022	74.00	58.05
March, 2022	79.50	58.00

**g) Distribution of Shareholding pattern for Equity Shares as on 31<sup>st</sup> March, 2022.**

Sl.No.	CATEGORY	EQUITY SHARES	
		Shares	%
1.	Promoters	67657172	63.18
2.	Mutual Funds and UTI	17887	0.02
3.	Banks & Financial Institutions	1450	0.00
4.	Bodies Corporate	2748839	2.57
5.	Indian Public	32148169	32.82
6.	NRIs / OCB	1516283	1.42
	<b>TOTAL</b>	<b>107089800</b>	<b>100.00</b>

**h) Share Transfer Agents**

M/s. Aarthi consultants Pvt. Ltd., Regd. Office : 1-2-285, Domalguda, Hyderabad – 500 029 (T.S) has been acting as Share Transfer Agent (STA) to the Company. Shareholders who desire to transfer (Physical) or dematerialise their shares are requested to send their shares along with supporting documents to the above Share Transfer Agent (STA).

**i) Dematerialisation of Shares and Liquidity**

As on 31<sup>st</sup> March, 2022, out of 107089800 Equity Shares 105711243 No. of Shares were dematerialised (98.71 %). Since the company's shares are trading under compulsory De-mat mode shareholders are requested to take necessary steps to dematerialise their shares held in physical form.

**j) Outstanding GDR / ADRs / Warrants / Convertible Instruments**

- Not Applicable -

**k) Code of Conduct**

In compliance of Regulation 17 Sub-Regulation 5 proviso a) or b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "Code of Conduct" applicable to (1) Directors (2) Senior Management has been approved by the Board and the same has been placed on the company's website. Copy of the code of conduct circulated to all the concerned and obtained their affirmation.

**DECLARATION BY CEO**

As provided in Regulation 17 Sub-Regulation 5 proviso a) or b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Directors and Senior Management personnel have confirmed compliance with code of conduct for the period ended 31.03.2022.

On behalf of the Board of Directors  
Sd/-

**CA K. KARUNAKAR RAO**  
Executive Director & CEO  
(DIN : 02031367)

Place : Hyderabad  
Date : 10<sup>th</sup> August, 2022



## TGV SRAAC LIMITED

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**l) Plant Location**

Gondiparla, Kurnool – 518 004 (A.P).

Bellary Power Plant : Tagginabudihalli, Bellary, Karnataka.

Wind Farm : Ramagiri, Anantapur Dist. (A.P)

**m) For all matters, address for Correspondence at any of the following addresses**

(A) Registrar and Share Transfer Agent :

Aarthi Consultants Private Limited

Regd. Office : 1-2-285, Domalguda, Hyderabad – 500 029 (T.G)

Tel. No. : 040 – 27638111, 27634445, 27642217, 66611921 Fax No. : 040 – 27632184

E-mail : info@arthiconsultants.com

(B) TGV SRAAC Limited

(formerly Sree Rayalaseema Alkalies and Allied Chemicals Limited)

(CIN: L24110AP1981PLC003077)

6-2-1012, II Floor, TGV Mansion,

Opp. Institute of Engineers, Khairatabad, Hyderabad – 500 004 (T.G)

Tel No. : 040 – 23313842 Fax No.: 040 - 23313875

**n) E-mail ID : sralkalies@tgvmail.net**

On behalf of the Board of Directors

Place : Hyderabad  
Date : 10<sup>th</sup> August, 2022

Sd/-  
**CA K. KARUNAKAR RAO**  
Executive Director & CEO  
(DIN : 02031367)

Sd/-  
**N. JESVANTH REDDY**  
Executive Director (Technical)  
(DIN: 03074131)

**ANNEXURE "D" TO THE DIRECTORS' REPORT****Independent Auditor's Certificate on Corporate Governance**

To

The Members of TGV SRAAC Limited

1. We have examined the compliance of the conditions of corporate governance by TGV SRAAC Limited (the 'Company') for the year ended 31<sup>st</sup> March 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

**Management's Responsibility**

2. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure the compliance with the conditions of corporate governance as stipulated in the SEBI Listing Regulations.

**Auditors' Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have examined the relevant records of the company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the standard on Quality Control (SQC) 1, Quality Control for Firms that performs Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the company has





compiled with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2022.

8. We 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 K S RAO & Co.,**  
Chartered Accountants  
Firm's Regn. No. 0031095  
Sd/-  
**P. GOVARDHANA REDDY**  
Partner  
Membership No.029193  
UDIN: 22029193AKLMYS9502

Place : Hyderabad  
Date : 19<sup>th</sup> May, 2022

## ANNEXURE "E" TO THE DIRECTORS' REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS :

#### Economy :

The Reserve Bank of India (RBI) has projected India's GDP at 7.2% for 2022-23 revised from the earlier guidance of 7.8%. This is against 8.75% GDP Growth for 2021-22. The downward revision was made by RBI keeping in view of eruption of war and extreme volatility in Commodity Market. War in Europe has affected international economies badly resulting in high prices of Crude Oil and Coal. Even though, COVID-19 Pandemic has been under control in India, the threat of its out-break is not yet over. We hope for Indian economy revival expecting good monsoon.

#### Segment wise Performance :

The Company Operations are divided into three segments to comply with Accounting Standards and SEBI (LODR) Regulations, 2015. They are (a) Chemicals Division (b) Oils and Fats Division and (c) Power Division.

Under Chemicals Segment, the Company is manufacturing Caustic Soda, Caustic Potash, Chlorine and Chloromethanes as Main Products. During the year company has expanded its Chloromethane Capacity by 125 TPD (the existing capacity of 125 TPD). Further the company has completed modernization of caustic soda facilities. Recovery in demand after COVID-19 Pandemic revival of end users performance resulted in better demand for company products. This has resulted in increased realizations to company products.

Chlorine, being a Joint Product (for Caustic Soda) has seen decrease in demand Caustic Soda Production is related and restricted with Chlorine demand. The increase in Caustic Soda prices has more than offset the decline in prices of Chlorine. The Indian Market is Caustic Soda Centric unlike European and other Countries which are Chlorine is main product. Increased Production of Caustic Soda & Chloromethanes has been absorbed by the Market with user Industries doing well.

Oils and Fats Segment produce Castor Oil Derivatives, Soap Noodles, Hydroxy Stearic Acid and Glycerine. This division performance is at low level due to steep increase in raw materials not commensurate with the increase in end products resulting in lower margins. The main intent and purpose of this division on its making use of Hydrogen which is bye-product of Chemicals Division.

**Company Performance :**

The Company has achieved a Gross Turnover of Rs.1775.19 Cr against previous year (2020-21) Gross Turnover of Rs.1168.22 Cr. The increase in Sales is the result of increased production with better market conditions.

With concern over the non-availability of sufficient quantities of salt in ports of Southern India resulted in procurement of same from Gujarat belt and thus incurring additional transportation cost. Another aspect being that all input costs are witnessing increasing trend but its availability is satisfactory. Another concern is steep increase in Coal Prices leading to increase in power cost. The company being a power intensive and to achieve reduction in power cost, the company has taken effective steps for setting up of a 20 MW Solar Power Project adjacent to the factory.

**GENERAL-SEGMENT-WISE PERFORMANCE TOGETHER WITH DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :**

Segment-wise performance together with discussion on financial performance with respect to operational performance has been dealt with in the Directors' Report which should be treated as forming part of this Management Discussion and Analysis.

**Credit Rating :**

The Company has retained same Credit Rating of CARE A- with the "Outlook" improving from Negative to Stable for long term bank facilities and CARE A2+ for Short Term Bank facilities, awarded by M/s.CARE Rating Limited, Hyderabad. Maintaining same rating with improvement in outlook is considered as reasonably good in given circumstances. Company is working in a direction to improve the rating.

**Details of Key Financial Ratios with significant variance :**

Details of Financial Ratio Increase / Decrease when compared to previous years (2021-22 / 2020-21).

Overall variances in ratios is the result of better performance in main products of the company.

S. No	Details of Financial Ratio - Increase / Decrease	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021	Variance Increase / Decrease
01	Debt Equity Ratio decreased by : The decrease in the ratio is due to Repayment of most of the Long Term Loans.	0.59	0.78	- 24 %
02	Inventory Turnover Ratio increased by : The increase in ratio is due to good demand to the products.	13.44	8.21	63.72 %
03	Interest Coverage Ratio increased by : The ratio is increased due to Good performance leads to increase in coverage	7.01	3.98	76 %
04	Debtors Turnover Ratio increased by : The Increase in ratio is due to Increase in demand resulting in decrease of receivables	9.13	10.98	-16.80 %
05	Operating Profit Margin increased by : The increase in ratio is due to Good demand coupled with better realisation	0.17	0.09	79 %



## TGV SRAAC LIMITED

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### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The Company has established an appropriate system of internal control to ensure that there exists a proper control over all the transactions and that all its assets are properly safeguarded and not exposed to risk arising out of unauthorised use or disposal. The Internal Audit conducted at all divisions for all the key areas of business. The Internal Control System is supplemented by a programme of Internal Audits to ensure that the assets are properly accounted for and the business operations are conducted in adherence to laid down policies and procedures. The Internal Audit is oriented towards review of controls and operational improvements.

### MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED :

Relations with the employees remained cordial in general throughout the year. In order to optimise the contribution of the employees to the Company's business and operations, in-house training is given to the employees to induce contribution to productivity increase and development programmes for all levels of employees have been devised. Occupational Health Safety and Environmental Management are given utmost importance. As at 31<sup>st</sup> March, 2022 the employee strength (on permanent rolls) of the Company was 1064.

### CAUTIONARY STATEMENT :

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations and such forward-looking statements involve risks and uncertainties. Actual results could differ materially from those expressed or implied important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the Countries in which the Company conducts business and other incidental factors. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new informations, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speaks only as of their dates.

On behalf of the Board of Directors

Sd/-  
**CA K. KARUNAKAR RAO**  
Executive Director & CEO  
(DIN : 02031367)

Sd/-  
**N. JESVANTH REDDY**  
Executive Director (Technical)  
(DIN: 03074131)

Place : Hyderabad  
Date : 10<sup>th</sup> August, 2022



**ANNEXURE "F" TO DIRECTORS' REPORT  
FORM NO. AOC-2**

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

Form for Disclosure of particulars of Contracts / Arrangements entered into by the company with related parties referred to in sub-section (1) of Sec.188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

- 1) Details of Contracts or Arrangements or Transactions not at Arm's Length basis : Not applicable.
- 2) Details of Material Contracts or Arrangements or Transactions at arm's length basis :

Sl. No	(a) Names(s) of the Related Party and Nature of Relationship	(b) Nature of Contracts / Arrangements / Transactions	(c) Duration of the Contracts/ Arrangements/ Transactions	(d) Salient terms of the Contracts of Transactions including the value, if any. (Rs. in lakhs)	(e) Date(s) of approval by the Board, if any.	(f) Amount Paid as advances, if any. (Rs. in lakhs)
1	Sree Rayalaseema Hi-Strength Hypo Limited	Sales Purchases Rent Received Services availed Services rendered Investment in Equity Dividend received	Annual Contracts / Arrangements	14358.98 4827.58 7.63 78.66 39.09 - 7.36	03.06.2021	390.30 (Cr) - - - - 24.48 (Dr) -
2	TGV Projects & Investments Private Limited	Rent Paid Rent deposit	Annual Contracts / Arrangements	329.52 -	03.06.2021	0.88 (Cr) 100.09 (Dr)
3	Sree Rayalaseema Galaxy Projects Private Limited	Sales Purchases	Annual Contracts / Arrangements	16.32 80.81	03.06.2021	1.61 (Dr) -
4	Gowri Gopal Hospitals Private Limited	Services availed Purchases	Annual Contracts / Arrangements	69.75 1.87	03.06.2021	4.24 (Cr) -
5	Gowri Gopal Intensive Care Unit	Services availed	Annual Contracts / Arrangements	26.52	03.06.2021	-
6	The Mourya Inn	Services availed	Annual Contracts / Arrangements	200.77	03.06.2021	27.12 (Cr)
7	Brilliant Industries Private Limited	Sales	Annual Contracts / Arrangements	593.50	03.06.2021	-
8	Brilliant Bio Pharma Private Limited	Sales	Annual Contracts / Arrangements	302.87	03.06.2021	19.64 (Dr)
9	Nectar Laboratories Private Limited	Sales Purchases	Annual Contracts / Arrangements	892.94 150.36	03.06.2021	- -
10	Sree Maruthi Marine Industries Limited	Purchases	Annual Contracts / Arrangements	148.36	03.06.2021	57.19 (Cr)



## TGV SRAAC LIMITED

Sl. No	(a) Names(s) of the Related Party and Nature of Relationship	(b) Nature of Contracts / Arrangements / Transactions	(c) Duration of the Contracts/ Arrangements/ Transactions	(d) Salient terms of the Contracts of Transactions including the value, if any. (Rs. in lakhs)	(e) Date(s) of approval by the Board, if any.	(f) Amount Paid as advances, if any. (Rs. in lakhs)
11	Sree Maruthi Agro Tech Private Limited	Purchases	Annual Contracts / Arrangements	28.30	03.06.2021	10.33 (Cr)
12	Roopa Industries Limited	Sales	Annual Contracts / Arrangements	121.11	03.06.2021	13.35 (Dr)
13	TGV Industries Private Limited	Purchases	Annual Contracts / Arrangements	199.64	03.06.2021	13.87 (Cr)
14	Priyadarshini Salt Works Private Limited	Purchases	Annual Contracts / Arrangements	10.83	03.06.2021	-
15	Other Related Parties	Rent & Others Rent advance Purchase of Land	Annual Contracts / Arrangements	65.37 - 1214.40	03.06.2021	4.82 (Cr) 107.00 (Dr) -
16	Key Managerial Personnel (KMP)	Remuneration	Annual Contracts / Service	116.67	03.06.2021	0.27 (Dr)

Note : The above related party disclosures are only under Sec.188 read with Sec.134 of the Companies Act, 2013.

On behalf of the Board of Directors

Sd/-  
**CA K. KARUNAKAR RAO**  
Executive Director & CEO  
(DIN : 02031367)

Sd/-  
**N. JESVANTH REDDY**  
Executive Director (Technical)  
(DIN: 03074131)

Place : Hyderabad  
Date : 10<sup>th</sup> August, 2022

**ANNEXURE "G" TO DIRECTORS' REPORT****FORM NO. MGT - 9  
EXTRACT OF ANNUAL RETURN  
as on the Financial Year Ended on 31.03.2022**

(Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014)

**I. REGISTRATION AND OTHER DETAILS**

CIN	L24110AP1981PLC003077
Registration Date	24.06.1981
Name of the Company	TGV SRAAC LIMITED (formerly Known as Sree Rayalaseema Alkalies and Allied Chemicals Limited)
Category / Sub-Category of the Company	Public Company / Limited by Shares
Address of the Registered Office and Contact Details	Gondiparla, Kurnool - 518 004 (A.P) (Tel: Nos.91-08518 280006, 280007, 280008) Fax 08518-280098 Cell : 09848304999
Whether Listed Company	Yes
Name & Address of the Registrar and Transfer Agent	M/s. Aarthi Consultants Private Limited Regd.Office: 1-2-285, Domalguda, Hyderabad - 500 029 (Telangana State) Contact Nos.040-27638111 / 27634445 Fax: 040-27632184 email: info@arthiconsultants.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated :

Sl. No	Name and Description of main product/sevices	NIC Code of the Product/Service	% To total turn over the company
1	Caustic Soda Lye / Flakes	28151110 / 28151200	51%
2	Caustic Potash Lye / Flakes	28152000	15%
3	Methylene Chloride	29031200	13%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associates	% of Shares held	Applicable
- Not Applicable -					



## TGV SRAAC LIMITED

### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) as on 31-03-2022.

#### i) Category - wise Shareholding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2021)				No. of Shares held at the end of the year (31.03.2022)				% of Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. 1</b>	<b>Promoters Indian</b>									
	a) Individual/ HUF	5948902	0	5948902	5.56	5948902	0	5948902	5.56	0.00
	b) Central Govt.	0	0	0	0	0	0	0	0	0
	c) State Govt (s)	0	0	0	0	0	0	0	0	0
	d) Bodies Corp.	61708270	0	61708270	57.62	61708270	0	61708270	57.62	0.00
	e) Banks/Fl	0	0	0	0	0	0	0	0	0
	f) Any Other...	0	0	0	0	0	0	0	0	0
	<b>Sub Total (A) (1) :</b>	<b>67657172</b>	<b>0</b>	<b>67657172</b>	<b>63.18</b>	<b>67657172</b>	<b>0</b>	<b>67657172</b>	<b>63.18</b>	<b>0.00</b>
<b>2</b>	<b>Foreign</b>									
	a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
	b) Other- Individuals	0	0	0	0	0	0	0	0	0
	c) Bodies Corp.	0	0	0	0	0	0	0	0	0
	d) Banks/Fl	0	0	0	0	0	0	0	0	0
	e) Any Other...	0	0	0	0	0	0	0	0	0
	<b>Sub Total (A) (2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding of Promoter (A)=(A) (1) + (A) (2)</b>	<b>67657172</b>	<b>0</b>	<b>67657172</b>	<b>63.18</b>	<b>67657172</b>	<b>0</b>	<b>67657172</b>	<b>63.18</b>	<b>0.00</b>
<b>B 1</b>	<b>Public Shareholding Institutions</b>									
	a) Mutual Funds	8937	8950	17887	0.02	8937	8950	17887	0.02	0.00
	b) Bank/Fl	0	850	850	0	600	850	1450	0.00	0.00
	c) Central Govt.	0	0	0	0	0	0	0	0	0
	d) State Govt (s)	0	0	0	0	0	0	0	0	0
	e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
	f) Insurance Companies	525204	0	525204	0.49	0	0	0	0	-0.49
	g) FIs	0	0	0	0	0	0	0	0	0
	h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
	i) Others (specify)	0	0	0	0	0	0	0	0	0
	<b>Sub Total (B) (1) :</b>	<b>534141</b>	<b>9800</b>	<b>543941</b>	<b>0.51</b>	<b>9537</b>	<b>9800</b>	<b>19337</b>	<b>0.02</b>	<b>-0.49</b>
<b>2</b>	<b>Non-Institutions</b>									
	a) Bodies Corp.	1553194	37151	1590345	1.49	2711688	37151	2748839	2.57	1.08
	i) Indian	0	0	0	0	0	0	0	0	0
	ii) Overseas	0	0	0	0	0	0	0	0	0
	b) Individuals									
	i) Individual Shareholders holding nominal share capital upto Rs.2 Lakh	19937723	1130726	21068449	19.67	18189851	1119994	19309845	18.03	-1.64
	Individual Shareholders holding nominal share capital in excess of Rs.2 Lakh	15015595	0	15015595	14.02	15838324	0	15838324	14.79	0.77
	c) Others (specify) NRIs	1001511	212787	1214298	1.13	1304671	211612	1516283	1.42	0.28
	<b>Sub-total (B) (2) :</b>	<b>37508023</b>	<b>1380664</b>	<b>38888687</b>	<b>36.31</b>	<b>38044534</b>	<b>1368757</b>	<b>39413291</b>	<b>36.80</b>	<b>0.49</b>
	<b>Total Public shareholding (B)=(B)(1) + (B)(2)</b>	<b>38042164</b>	<b>1390464</b>	<b>39432628</b>	<b>36.82</b>	<b>38054071</b>	<b>1378557</b>	<b>39432628</b>	<b>36.82</b>	<b>0.00</b>
<b>C)</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
	<b>Grand Total (A+B+C)</b>	<b>105699336</b>	<b>1390464</b>	<b>107089800</b>	<b>100.00</b>	<b>105711243</b>	<b>1378557</b>	<b>107089800</b>	<b>100.00</b>	<b>0</b>



**ii) Shareholding of Promoters as on 31-03-2022**

Sl. No.	Name of the shareholder	No of Shares at the beginning the year (01.04.2021)			Share holding at the end of the year (31.03.2022)			
		No. of shares	% of total shares of the company	% of shares pledged/en cumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/en cumbered to total shares	% of change in share olding during the year
1	M/s. Sree Rayalaseema Hi-Strength Hypo Limited	20544496	19.18	0.01	20544496	19.18	0.01	0.00
2	M/s. TGV Projects and Investments Private Ltd	11694248	10.92	0.00	11694248	10.92	0.00	0.00
3	M/s. Sree Rayalaseema Dutch Kassenbouw Private Ltd	1881109	1.76	0.00	1881109	1.76	0.00	0.00
4	M/s. Gowri Gopal Hospitals Private Ltd	1005375	0.94	0.00	1005375	0.94	0.00	0.00
5	M/s. Sree Rayalaseema Galaxy Projects Private Ltd	54662	0.05	0.00	54662	0.05	0.00	0.00
6	M/s. TGV Securities Private Ltd	14150	0.01	0.00	14150	0.01	0.00	0.00
7	M/s. Brilliant Industries Private Ltd	26514230	24.76	0.00	26514230	24.76	0.00	0.00
8	Sri. T G Venkatesh	5390613	5.03	0.10	5390613	5.03	0.10	0.00
9	Smt.T G Rajyalakshmi	322384	0.30	0.02	322384	0.30	0.02	0.00
10	Sri. T G Bharath	129744	0.12	0.03	129744	0.12	0.03	0.00
11	Smt. Jyothsna S Mysore	13361	0.01	0.01	13361	0.01	0.01	0.00
12.	Smt. Boda Mourya	92800	0.09	0.01	92800	0.09	0.01	0.00
	<b>Total</b>	<b>67657172</b>	<b>63.18</b>	<b>0.19</b>	<b>67657172</b>	<b>63.18</b>	<b>0.19</b>	<b>0.00</b>

**iii) Change in Promoters Shareholding (please specify, if there is no change)**

S. No.	Name of the Shareholder	Shareholding		Date	Increase in Shareholding	Reason	Cumulative shareholding during the year 01.04.21 to 31.03.22	% of total shares of the Company
		No. of Share at the beginning of the year 01.04.21 / end of the year 31.03.22	% of total shares of the Company				No. of shares	
<b>Not Applicable</b>								





## TGV SRAAC LIMITED

### iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on 31-03-2022.

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01.04.2021)		Cumulative Shareholding during the year (31.03.2022)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	MEHERWAN ADI KOTWAL	803236	0.75	857416	0.80
2	MILI CAPITAL MANAGEMENT PVT LTD	0	0.00	539509	0.50
3	M SEETHAMMA	728612	0.68	487617	0.46
4	SRIKRISHNA DEVARAYA HATCHERIES PVT LTD	0	0.00	453000	0.42
5	SHABIR NAZMUDDIN PARATHA	417019	0.39	421119	0.39
6	BACHH RAJ NAHAR	0	0.00	372876	0.35
7	SADHNA MEHROTRA	379400	0.35	370400	0.35
8	MILI CONSULTANTS & INVESTMENTS PVT LTD	0	0.00	350892	0.33
9	LAL TOLANI	347834	0.32	337834	0.32
10	ANIL BHAVANJI SHAH	332216	0.31	335051	0.31


**v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding specifying for increase / decrease (e.g., Allotment / Transfer / Bouns / Sweat Equity etc.) during the year 01.04.21 to 31.03.22	Reason	Cumulative shareholding during the year 01.04.21 to 31.03.22	% of total shares of the Company
		No. of Shares at the beginning of the year 01.04.21 / end of the year 31.03.22	% of total shares of the Company			No. of shares	
1	Sri T.G. Venkatesh	5390613	5.03	0	No change	5390613	5.03
2	Sri. K. Karunakar Rao	550	0.00	0	No change	550	0.00
3	Smt K. Naga Nirmala Rao	1000	0.00	0	No change	1000	0.00
4	Sri V. Radhakrishna Murthy	8	0.00	0	No change	8	0.00
	At the end of the year	5392171	5.03	0	No change	5392171	5.03

**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding / accrued but not due for payment**

(₹ in lakhs)

Sl. No.	Description	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
	<b>Indebtedness at the beginning of the financial year</b>				
(i)	Principal Amount	44207.16	3343.33	0	47550.49
(ii)	Interest due but not paid	0	0	0	0
(iii)	Interest accrued but not due	12.56	0	0	12.56
	<b>Total (i+ii+iii)</b>	<b>44219.72</b>	<b>3343.33</b>	<b>0</b>	<b>47563.05</b>
	<b>Change in Indebtedness during the financial year</b>				
•	Addition	7355.25	1778.44	0	9133.69
•	Reduction	11588.20	1090.57	0	12678.77
	<b>Indebtedness at the end of the financial year</b>				
(i)	Principal Amount	39906.12	4031.20	0	43937.32
(ii)	Interest due but not paid	0	0	0	0
(iii)	Interest accrued but not due	80.65	0	0	80.65
	<b>Total (i+ii+iii)</b>	<b>39986.77</b>	<b>4031.20</b>	<b>0</b>	<b>44017.97</b>



## TGV SRAAC LIMITED

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A) Remuneration to Managing Director, Whole-time Directors and /or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount Rs.
		Sri Kamisetty Karunakar Rao	Sri Nalla Jesvanth Reddy	Sri Gopal Krishan	Sri Chappidi Srinivasa Babu	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax, 1961	2026620	1972020	1600000	2370768	7969408
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	89600	106759	80000	113486	389845
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0	0
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of Profit others, specify					
5	Others, please specify Total Ceiling as per the Act (*)	2116220	2078779	1680000	2484254	8359253

(\*) Rs.542.19 lakhs (being 10% Profits of the Company as per Sec. 198 of the Companies Act, 2013).

#### B) Remuneration to Other Directors

Sl. No.	Particulars of Remuneration during the period 01.04.2021 to 31.03.2022	Names of the Directors	Fee for attending Board / Committee Meetings	Commission	* Others (Please Specify)	Total Amount (in Rs.)
1	<b>Independent Directors</b>	Sri G. Krishna Murthy	55000	-	-	55000
		Sri P.N. Vedanarayanan	72500	-	-	72500
		Dr M. Asha Reddy	32500	-	-	32500
		Sri J. Nagabhushanam	41500	-	-	41500
		Ms M. Sridevi	46000	-	-	46000
		Ms S. Hima Bindu	5000	-	-	5000
	<b>Total (1)</b>		<b>252500</b>			<b>252500</b>
2	<b>Other Non-Executive Directors</b>					
	<b>Total (2)</b>		<b>0</b>			<b>0</b>
	<b>Total (B) = (1+2)</b>		<b>252500</b>	<b>-</b>	<b>-</b>	<b>252500</b>
	Total Managerial Remuneration	-	-	-	-	
	Overall Ceiling as per the Act	-	-	-	-	(*)

(\*) Rs.54.21 Lakhs (being 1% of the net profit of the company calculated under Clause 198 of the Companies Act, 2013)


**C) Remuneration to Key Managerial Personnel other than MD / MANAGER /WTD.**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (in Rs.)
		Sri C. Rajesh Khanna Chief Financial Officer	Sri V. Radhakrishna Murthy Company Secretary	
1	Gross Salary	1568507	680392	2248899
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	38400	38400	76800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of Profit-others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>1606907</b>	<b>718792</b>	<b>2325699</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT/ COURT)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



## ANNEXURE "H" TO THE DIRECTORS' REPORT

## 1. Brief outline on CSR Policy of the Company:

Corporate Social Responsibility (CSR) is the contribution from the Corporate towards Social and Economic development of Society. CSR policy should ensure activities which may include sustainable development by skill enhancement, sustainable environment, promotion to gender equality, prevention of health care and sanitation, promoting education etc. The Company had proposed to undertake the activities relating to Social Welfare, which includes activities Eradicating Poverty and Malnutrition, providing Safe Drinking Water and other Social Welfare activities like Healthcare and Women Empowerment Education. The CSR policy functions as a built-in, self-regulating mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms. The Company on recommendation of its CSR Committee has laid down a "Corporate Social Responsibility (CSR) Policy", in concurrence with the provisions specified in the Companies Act, 2013 and Rules made thereunder.

## 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 K. Karunakar Rao	Executive Director	1	1
2.	Sri N. Jesvanth Reddy	Executive Director	1	1
3.	Ms M. Sridevi	Independent Director	1	1

The CSR Committee was reconstituted on 28.01.2022.

- Provide the weblink where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company : <https://www.tgvgroup.com>
- Provide 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 (attach the report): **NOT APPLICABLE**
- Details of 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 Rs.)	Amount required to be set- off for the financial year, if any (in Rs.)
1.	2020-21	2,90,000	2,90,000
	Total	2,90,000	2,90,000

- Average net profits of the Company as per section 135 (5) : Rs.70,52,24,044.01



7. (a) Two percent of average net profit of the Company as per section 135(5) : Rs. 1,41,04,480.88  
 (b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. : Rs.2,90,000.00  
 (c) Amount required to be set off for the financial year, if any : - Nil -  
 (d) Total CSR obligation for the financial year (7a+7b+7c) : Rs.1,38,14,480.85
8. (a) CSR amount spent or unspent for the financial year :

Total amount spent for the financial year 2021-22 (in Rs.)	Amount Unspent (in Rs.)				
	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
1,91,80,030.00	N.A	N.A	N.A	N.A	N.A

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

1	2	3	4	5		6	7	8	9	10	11	
Sl no	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR account for the project as per section 135(6) (in Rs.)	Mode of implementation- Direct (Yes / No)	Name	Mode of implementation - Through implementing agency
				State	District						CSR Registration number	
1.	Woman Hostel/ Shelter house	Woman Empowerment	Local	A.P.,	Kurnool		50,00,000	50,00,000	NA	No	AVOPA	CSR000 26089
	<b>Total</b>						50,00,000	50,00,000	NA			



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

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or (2) Specify the State and District where projects or programs was undertaken	Amount outlay (Budget) project or programs wise (in Rs.)		Amount spent on the projects or programs Sub-heads: (1)Direct expenditure on projects or programs (2) Overheads (in Rs.)	Cumulative expenditure upto the reporting period (in Rs.)	Amount spent: Director or through implementing agency (in Rs.)	
				State	District			Name	CSR Registration number
1.	Drinking water	People of near by areas	Local	A.P	Kurnool	43,29,036	Yes	N.A	N.A
2.	Social Project	Covid-19 related expense	Local	A.P	Kurnool	19,55,149	Yes	N.A	N.A
3.	Social Project	Health and well being of people	Local	A.P	Kurnool	32,65,302	Yes	N.A	N.A
4.	Environmental Stability	Pollution control and Sanitation	Local	A.P	Kurnool	18,50,047	Yes	N.A	N.A
5.	Eradication of poverty	Old age pension & Alleviation of poverty	Local	A.P	Kurnool	13,02,545	Yes	N.A	N.A
6.	Sports Education	Sports and Development	Local	A.P	Kurnool	5,52,720	Yes	N.A	N.A
7.	Protection of national heritage	Donation to preserve national heritage	Local	A.P	Kurnool	9,25,231	Yes	N.A	N.A
<b>Total</b>						<b>1,41,80,030</b>			

(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) : Nil

(g) Excess amount for set off, if any

Sl No	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company a per section 135(5)	1,41,04,480.88
(ii)	Total amount spent for the Financial year	1,91,80,030.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	50,75,549.12
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	2,90,000.00
(v)	Amount available for set off in succeeding financial years [(iii)+(iv)]	53,65,549.12



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 Rs.)	Amount spent in the reporting Financial year (in Rs.)	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 Rs.)
				Name of the fund	Amount (in Rs.)	Date of transfer	
1	2020-21	-	-	-	-	-	-
2	2019-20	58,52,000	58,52,000	N.A.	N.A.	N.A.	N.A.
3	2018-19	-	-	-	-	-	-

(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 Rs.)	Amount spent on the project in the reporting Financial year (in Rs.)	Cumulative amount spent at the end of the reporting Financial year (in Rs.)	Status of the project- Completed / ongoing 1 N.A. Total
1	N.A.							
	Total							

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

**(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 percent of the average net profit as per section 135(5):  
Not Applicable.

On behalf of the Board of Directors

Sd/-  
**CA K. KARUNAKAR RAO**  
Executive Director & CEO  
(DIN : 02031367)

Sd/-  
**N. JESVANTH REDDY**  
Executive Director (Technical)  
(DIN: 03074131)

Place : Hyderabad  
Date : 10<sup>th</sup> August, 2022





## ANNEXURE "I" TO THE DIRECTORS' REPORT

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- (1) Role of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the financial year :

Median remuneration of all the employees of the Company for the Financial year 2021-22	Rs. 4,60,644/- per year
The percentage increase in the median remuneration of employees in the Financial year 2021-22	31 %
The number of permanent employees on the rolls of the Company as on 31 <sup>st</sup> March, 2022	1064

Name of Director / KMP	Ratio of remuneration to median remuneration of all employees
<b>Non-Executive Directors</b>	—
<b>Independent Directors</b>	
Sri P.N. Vedanarayanan	0.16
Ms. M. Sridevi (part of the year)	0.10
Ms. S. Hima Bindu (part of the year)	0.01
Dr M. Asha Reddy (part of year)	0.07
Sri G. Krishna Murthy (part of year)	0.12
Sri J. Nagabhushanam (part of year)	0.09
<b>Executive Directors</b>	
Sri K. Karunakar Rao	4.59
Sri N. Jesvanth Reddy	4.51
Sri C. Srinivasa Babu	5.39
Sri Gopal Krishan (part of year)	3.64
<b>Key Managerial Personnel</b>	
Sri C. Rajesh Khanna	3.49
Sri V. Radhakrishna Murthy	1.56

**Note :** The ratio of remuneration to median remuneration is based on remuneration paid during the period 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022.

- (2) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and to point out if there are any exceptional circumstances for increase in the managerial remuneration.

Factors influencing remuneration of managerial and non-managerial executives are different.

- (3) Affirmation that the remuneration is as per the remuneration policy of the Company.

It is confirmed affirmatively that the remuneration to executives is as per remuneration policy of the Company.

On behalf of the Board of Directors

Sd/-  
**CA K. KARUNAKAR RAO**  
 Executive Director & CEO  
 (DIN : 02031367)

Sd/-  
**N. JESVANTH REDDY**  
 Executive Director (Technical)  
 (DIN: 03074131)

Place : Hyderabad  
 Date : 10<sup>th</sup> August, 2022



**ANNEXURE "J" TO THE DIRECTORS' REPORT  
FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

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

To,  
The Members,  
**M/s. TGV SRAAC LIMITED**  
(CIN : L24110AP1981PLC003077)  
Kurnool – 518 004, Andhra Pradesh

I have conducted the secretarial audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **TGV SRAAC Limited** ("the Company"), Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of M/s. TGV SRAAC Ltd., 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 authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the M/s. TGV SRAAC Ltd., ("The Company") for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and as amended upto date;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made hereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 **(to the extent it is applicable to the Company during the Audit period)**;
  - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(to the extent it is applicable to the Company during the Audit period)**;
  - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client **(to the extent it is applicable to the Company during the Audit period)**;
  - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(to the extent it is applicable to the Company during the Audit period)** and ;



## TGV SRAAC LIMITED

- g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (to the extent it is applicable to the Company during the Audit period).
- (vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the company has complied with the following laws applicable specifically to the Company;
- (1) The Drugs and Cosmetic Act, 2002 and rules made thereunder; (b) The Environmental Protection Act, 1986 (c) The Indian Electricity Act, 2003 (d) The Indian Explosives Act, 1884 (e) The Indian Telegraph Act, 1885 (f) Factories Act, 1948 (g) Industrial Disputes Act, 1947 (h) The Payment of Wages Act, 1936 (i) The Minimum Wages Act, 1948 (j) Employees' State Insurance Act, 1948 (k) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (l) The Payment of Bonus Act, 1965 (m) The Payment of Gratuity Act, 1972 (n) The Contract Labour (Regulations & Abolition) Act, 1970 (o) The Child Labour (Prohibition & Regulation) Act, 1986 (p) The Industrial Employment (Standing Order) Act, 1946 (q) The Apprentices Act, 1961 (r) Equal Remuneration Act, 1976 (s) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959 (t) Air (Prevention and control of Pollution) Act, 1981.

I have also examined compliance with the applicable clauses of the following :

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

### I 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.

Adequate notice is given to all Directors to schedule the Board meetings, Agenda and detailed notes on agenda were sent atleast seven days in advance, 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.

Majority decision are carried through while the dissenting members' views are captured and recorded as part of the minutes of the Board and Committees of the Board.

I 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.

I further report that during the audit period the Company had the following events/actions which have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards.

For **N. Ramaswamy & Associates**  
Company Secretaries

Sd/-  
**N. Ramaswamy**  
Practicing Company Secretary  
Sole Proprietor  
Membership No.4408  
PCS No. 5052  
UDIN : F004408D000760020

Place : Hyderabad  
Date : 10<sup>th</sup> August, 2022

Note : This is to be read with our letter of even date which is Annexed and form an integral part of this report.



**ANNEXURE**

To  
The Members,  
**M/s. TGV SRAAC LIMITED**  
Kurnool, Andhra Pradesh

1. Maintenance of secretarial record 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, we followed 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 representation 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 **N. Ramaswamy & Associates**  
Company Secretaries  
Sd/-

**N. Ramaswamy**  
Practicing Company Secretary  
Sole Proprietor  
Member ship No.4408  
PCS No. 5052  
UDIN : F004408D000760020

Place : Hyderabad  
Date : 10<sup>th</sup> August, 2022

**ANNEXURE "K" TO THE DIRECTORS' REPORT****CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

(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  
**M/s TGV SRAAC Limited**  
 Regd. Office : Gondiparla  
 Kurnool – 518 004 (A.P)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TGV SRAAC Limited and having CIN L24110AP1981PLC003077 and Registered Office at Gondiparla, Kurnool - 518 004 (A.P) (hereinafter referred to as 'the Company'), produced before me 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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S. No.	Name of Director	DIN	Date of appointment in Company	Date of resignation in Company
1.	Gowraswamy Krishna Murthy	00134828	30/11/1995	16/12/2021
2.	Pudugramam Neelakantan Vedanarayanan	00982697	01/04/1994	
3.	Kamisetty Karunakar Rao	02031367	07/08/2010	
4.	Nalla Jevanth Reddy	03074131	07/08/2010	
5.	Gopal Krishan	05342348	07/11/2014	30/11/2021
6.	Jagini Nagabhushanam	07217668	10/07/2015	16/09/2021
7.	Mora Asha Reddy	07328122	29/01/2016	27/09/2021
8.	Chappidi Srinivasa Babu	09266926	31/07/2021	
9.	Madati Sridevi	02446610	11/11/2021	
10.	Sagala Hima Bindu	09520601	02/03/2022	

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 my 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 **N. Ramaswamy & Associates**  
 Company Secretaries  
 Sd/-

**N. Ramaswamy**  
 Practicing Company Secretary  
 Sole Proprietor  
 Member ship No.4408  
 PCS No. 5052  
 UDIN : F004408D000760064

Place : Hyderabad  
 Date : 10<sup>th</sup> August, 2022

**INDEPENDENT AUDITORS' REPORT**

To  
**The Members of  
TGV SRAAC LIMITED**

**Report on the Audit of Financial Statements****Opinion**

We have audited the financial statements of TGV SRAAC Ltd ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March, 2022, the statement of profit and loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("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, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key audit matters	How the matter was addressed in our audit
<p><b>Contingent liabilities (refer note 27)</b></p> <p><i>The Company has ongoing litigations and claims with State Power Distribution Company of Andhra Pradesh i.e APSPDCL/ APCPDCL. which have arisen from contentions raised by the Company against the charges levied by the State Power Distribution Company of Andhra Pradesh.</i></p> <p><i>Resolution of litigations and claims proceedings may span over multiple years beyond March 31, 2022 due to the complexity and magnitude of the legal matters involved and may involve protracted negotiation or litigation.</i></p> <p><i>The determination of a provision or contingent liability requires significant judgement by the Company because of the inherent complexity in estimating whether it is probable that there will be an outflow of economic resources. The amount recognized as a provision is the best estimate of the probable expenditure. The provisions and contingent liabilities are subject to changes due to the outcomes of litigations and claims over time as new facts emerge as each legal case progresses.</i></p> <p><i>Significant judgment is necessary to estimate the likelihood, timing and amount of the cash outflows, interpretations of the legal aspects, legislations and judgements previously made by the authorities. Accordingly, this is identified as a key audit matter.</i></p>	<p>We evaluated the design of, and tested, key controls in respect of litigation and regulatory procedures, which we found to be satisfactory for the purposes of our audit.</p> <p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• We read the summary of litigation matters provided by the Company's legal team and discussed each of the material cases noted in the report to determine the Company's assessment of the likelihood and magnitude of any liability that may arise.</li> <li>• We read, where applicable, external legal or regulatory advice sought by the Company and reviewed related correspondence.</li> <li>• Assessed the appropriateness of the disclosure in the financial statements.</li> </ul>

**Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

**Responsibilities of Management and those charged with governance 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Director 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibilities for the Audit of Financial Statement**

Our objectives are to obtain reasonable assurance about whether the 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 Ind AS 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 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "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, based on our audit we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
  - e) on the basis of the written representations received from the directors of the Company as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) with respect to the adequacy of the internal financial controls with reference to financial statements 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 with reference to financial statements;
  - 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 - Refer Note 27 to the Ind AS financial statements;
  - ii. the Company did not have any long-term contracts including derivative contracts; as such there were no material foreseeable losses thereon;
  - iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund; therefore, delay in transferring such sums does not arise;
  - iv.
    - a) the management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) the management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement;
  - v) no dividend has been declared or paid during the year by the Company.

**for K S RAO & Co.,**  
Chartered Accountants  
Firm's Regn. No. 003109S  
Sd/-

**P. GOVARDHANA REDDY**  
Partner

Membership No.029193

UDIN : 22029193AKLMYS9502

Place : Hyderabad  
Date : 19<sup>th</sup> May, 2022

**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Statement on the matters specified in the Companies (Auditor's Report) Order, 2020**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that

- i) in respect of the Company's property, plant and equipment:
  - a) (A) the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment;
  - (B) the Company has not capitalized any intangible assets. Hence Para 3(i) (B) of the said Order, is not applicable to the Company;
  - b) the Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification;
  - c) according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all immovable properties are held in the name of the Company *except the title to the property of 12.17 acres of land situated in Bellary amounting to Rs. 15.29 Lakhs acquired by the Company from Karnataka Industrial Area Development Board (KIADB) is in the process of being transferred in the Company's name;*
  - d) according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets or both during the year;
  - e) according to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder;
- ii) in respect of Company's inventory:
  - a) the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and the procedure of such verification by



the management is appropriate. Discrepancy of 10% or more were not noticed on such physical verification. There are no inventories lying with third parties as at year-end;

- b) according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks and financial institutions are in agreement with the books of account of the Company with some insignificant variances;
- iii) during the year the Company has not made any investment in, provided guarantee or security or granted any loans or advances in the nature of loans ,secured or unsecured , to companies, firms, Limited Liability Partnerships or any other parties . Accordingly, the requirement to report on Para 3(iii)(a) to (f) of the Order is not applicable to the Company.
- iv) in view of our comment in the subpara (iii) above compliance with the provisions of Sections 185 and 186 of the Act does not arise;
- v) the Company has not accepted deposits from public during the year and does not have any unclaimed deposits as at 31<sup>st</sup> March, 2022 and therefore, the provisions of the Para 3 (v) of the Order are not applicable to the Company;
- vi) the maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.

We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;

- vii) according to the information and explanations given to us, in respect of statutory dues:
  - a. the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax (GST), Provident Fund, Employees' State Insurance, Income-tax, sales tax , service tax Customs Duty, Excise duty Cess and other material statutory dues as applicable, with the appropriate authorities;
  - b. there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax (GST), Customs Duty, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable;



- c. details of dues of Sales Tax, Value Added Tax, Customs Duty , PF, Electricity, Water Tax which have not been deposited as at 31<sup>st</sup> March, 2022 on account of dispute are given below:

Name of the Statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
AP VAT Act, 2005	Interest on delay payment of deferred sales tax	154.29*	2005-06 & 2006-07	High Court of Andhra Pradesh, Amaravati
Karnataka Tax on entry of goods Act, 1979	Entry tax on purchase of machinery items and interest	1.78*	2006-07 2007-08 2009-10	Dy. Commissioner of Commercial Taxes, Bellary
Andhra Pradesh entry tax act, 2001	Entry tax on purchase of electrical equipments	63.77*	2014-15 2015-16 2016-17 2017-18	High Court of Andhra Pradesh, Amaravati
Indian Customs Act, 1962	Customs Duty claimed on raw materials	1,036.16*	2000-2006	Commissioner of customs, Chennai
Indian Customs Act, 1962	Finalisation of assessed bill of entries pertaining to KCL	7.05	2006-07	Dy. Commissioner of Customs, Alibag division Raigad, Maharashtra
Indian Customs Act, 1962	Anti-dumping duty on import of Barium Carbonate	32.69	2010-11	Joint commissioner of Customs, Chennai
Indian Customs Act, 1962	Differential duty on classification of goods disputed (Lauric Acid)	10.70	2014-15	Customs, Excise and Service Tax Appellate Tribunal, Chennai
		10.52	2014-15	Assistant Commissioner Customs, Chennai
Employees Provident Fund and Miscellaneous Provisions Act, 1952	PF delay charges/damages for belated payments	15.34	May, 2002 to Dec, 2007	Employees Provident Fund Appellate Tribunal, New Delhi.
The Electricity Act, 2003	Fuel Surcharge Adjustment (FSA) charges	871.93	2008-09	Supreme Court of India
		651.87	2009-10	
The Electricity Act, 2003	Interest on amounts pending in court cases (FSA)	2904.35	From 2014-15 to March, 2022	High Court of Andhra Pradesh, Amaravati
The Electricity Act, 2003	Electricity Duty Demand	551.44	July, 2003- May, 2013	Supreme Court of India, Delhi



## TGV SRAAC LIMITED

Name of the Statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Electricity Act, 2003	Fuel Surcharge Adjustment (FSA) charges	1591.38	May & June 2010 and October, 2011 to March, 2012	High Court of Andhra Pradesh, Amaravati
	Levy of interest by APCPDCL on FSA Charges	598.17		
The Electricity Act, 2003	Wheeling charges on wind generation	24.21	August, 2002	Supreme court of India
The Electricity Act, 2003	Power supply made by APGPCL not credited fully in the power bills raised by APSPDCL	2,846.01	June 2020 to March 2021	High court of Andhra Pradesh, Amaravati
The Andhra Pradesh Irrigation utilisation and Command Area Development Act, 1984	Increase in water rate made by Andhra Pradesh Government through GO for using river water (Paid).	128.70 (128.70)	February, 2014 to March, 2021	High Court of Andhra Pradesh, Amaravati
The Income Tax Act, 1961	Demand U/s 270A	8.84	Assessment year 2017-18	CIT (Appeals) National faceless assessment centre
The Income Tax Act, 1961	Addition made under section 69A of Income Tax Act, 1961	36.01	Assessment Year 2016-17	CIT (Appeals) National faceless assessment centre

\*Net of amounts paid under protest.

- viii) the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on Para 3(viii) of the Order is not applicable to the Company;
- ix) a) the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender during the year;
- b) the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender;
- c) the term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained;



- d) on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company;
- e) the Company does not have subsidiaries, joint ventures or associate companies (as defined under Companies Act, 2013). Accordingly, Para 3(ix)(e) of the Order is not applicable;
- f) the Company does not have subsidiaries, joint ventures or associate companies (as defined under Companies Act, 2013). Accordingly, Para 3(ix)(f) of the Order is not applicable;
- x) a) the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, Para 3(x)(a) of the Order is not applicable;
- b) the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Para 3(x)(b) of the Order is not applicable;
- xi) a) based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit;
- b) no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 during the year and up to the date of this Report with the Central Government;
- c) no whistle blower complaints received by the Company during the year;
- xii) the Company is not a Nidhi Company. Accordingly, Para 3(xii) of the Order is not applicable;
- xiii) the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc as required by the applicable accounting standards;
- xiv) a) the Company has an internal audit system commensurate with the size and nature of its business; and
- b) the internal audit reports of the Company issued till date for the period under audit are considered by us;
- xv) during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Act, are not applicable;
- xvi) a) the Company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934 ;
- b) the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;





## TGV SRAAC LIMITED

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- c) the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India;
- d) the Company does not have any Core investment Company as a part of its group of Companies;
- xvii) the Company has not incurred cash losses in the current and in the immediately preceding financial year;
- xviii) there has been no resignation of the statutory auditors during the year. Accordingly, Para 3(xviii) of the Order is not applicable;
- xix) on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;
- xx) a) in our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project other than ongoing projects. Accordingly, Para 3(xx)(a) of the Order is not applicable;
- b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable;

for **K S RAO & Co.,**  
Chartered Accountants  
Firm's Regn. No. 003109S  
Sd/-

**P. GOVARDHANA REDDY**  
Partner

Membership No.029193  
UDIN: 22029193AKLMYS9502

Place : Hyderabad  
Date : 19<sup>th</sup> May, 2022

**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Report on the Internal Financial Controls Over Financial Statements under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial statements of TGV SRAAC Ltd ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.



## TGV SRAAC LIMITED

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 with reference to financial statements.

### Meaning of Internal Financial Controls Over Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 Ind AS 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.

### Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management over ride 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **K S RAO & Co.,**  
Chartered Accountants  
Firm's Regn. No. 0031095  
Sd/-  
**P. GOVARDHANA REDDY**  
Partner

Place : Hyderabad  
Date : 19<sup>th</sup> May, 2022

Membership No.029193  
UDIN: 22029193AKLMYS9502



# TGV SRAAC LIMITED

## Balance Sheet As At 31<sup>st</sup> March, 2022

(₹ in lakhs)

Particulars	Note No	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	88,680.28	75,580.39
Right-of-use assets	28	1,522.15	1,810.85
Capital work-in-progress	3	5,542.25	12,509.02
Investment properties	4	7.05	7.05
Financial assets			
- Investments	5(a)	8,942.26	8,861.34
- Other financial assets	5(b)	1,543.39	924.10
Other non-current assets	6	981.05	2,158.79
<b>Total Non-current assets</b>		<b>107,218.43</b>	<b>101,851.54</b>
<b>Current assets</b>			
Inventories	7	10,919.50	11,607.56
Financial assets			
- Trade receivables	8(a)	23,222.08	9,918.63
- Cash and cash equivalents	8(b)	1,485.26	3,246.95
- Bank balances other than Cash and cash equivalents	8(c)	5,492.43	7,394.48
- Other financial assets	8(d)	9,279.14	9,479.02
Other current assets	9	2,159.39	1,791.89
<b>Total Current assets</b>		<b>52,557.82</b>	<b>43,438.53</b>
<b>TOTAL ASSETS</b>		<b>159,776.25</b>	<b>145,290.07</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	10(a)	10,713.26	10,713.26
Other equity	10(b)	63,637.52	50,307.90
<b>Total Equity</b>		<b>74,350.78</b>	<b>61,021.16</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	11(a)	18,120.05	25,327.47
- Lease Liability	28	1,671.92	1,847.28
- Other financial liabilities	11(b)	7,379.94	6,477.89
Deferred tax liabilities (Net)	12	12,158.00	8,363.39
Deferred Government grants	13	7.35	27.93
<b>Total Non-current liabilities</b>		<b>39,337.26</b>	<b>42,043.96</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	11(c)	22,659.86	19,373.32
- Trade and other payables	11(d)		
(A) total outstanding dues of micro enterprises and small enterprises; and		1,928.87	703.75
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		5,268.59	6,717.31
- Lease Liability	28	352.08	387.20
- Other financial liabilities	11(e)	10,843.27	10,266.32
Other current liabilities	14	4,546.32	4,422.93
Provisions	15	286.04	32.63
Current tax liability (Net)	16	203.18	321.49
<b>Total Current liabilities</b>		<b>46,088.21</b>	<b>42,224.95</b>
<b>TOTAL LIABILITIES</b>		<b>85,425.47</b>	<b>84,268.91</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>159,776.25</b>	<b>145,290.07</b>

General information 1  
 Summary of significant accounting policies 2  
 See accompanying notes forming part of financial statements

As per our attached report of even date

For and on behalf of the Board

for K S Rao & Co.,

Chartered Accountants  
 Firm's Regn. No. 0031095

Sd/-  
**(CA P. GOVARDHANA REDDY)**  
 Partner

Membership No. 029193  
 UDIN : 22029193AKLMYS9502

Place : Hyderabad  
 Date : 19<sup>th</sup> May, 2022

Sd/-  
**CA K. KARUNAKAR RAO**  
 Executive Director (Fin. & Comm.) & CEO

Sd/-  
**N. JESVANTH REDDY**  
 Executive Director (Technical)

Sd/-  
**CS V. RADHAKRISHNA MURTHY**  
 Company Secretary

Sd/-  
**CA C. RAJESH KHANNA**  
 Vice President (F&A) & CFO



# TGV SRAAC LIMITED

## Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2022

(` in lakhs)

Particulars	Note No	Year ended March 31, 2022	Year ended March 31, 2021
<b>I Revenue from operations</b>	17	1,52,532.38	1,00,871.99
<b>II Other income</b>	18	702.34	987.54
<b>III Total Income (I + II)</b>		<b>1,53,234.72</b>	<b>1,01,859.53</b>
<b>IV Expenses</b>			
Cost of materials consumed	19(a)	43,116.28	36,152.99
Purchase of stock-in-trade		563.31	43.00
Changes in inventories of finished goods, work in progress and stock-in-trade	19(b)	(94.62)	158.53
Employee benefit expense	20	5,596.42	4,816.79
Finance cost	21	4,601.54	3,937.28
Depreciation and amortisation expense	3	6,862.36	6,318.03
Power and fuel		47,516.47	30,596.14
Other expenses	22 (a)	24,137.60	14,950.22
<b>Total expenses (IV)</b>		<b>1,32,299.36</b>	<b>96,972.98</b>
<b>V Profit/ (loss) before exceptional items and tax (III-IV)</b>		<b>20,935.36</b>	<b>4,886.55</b>
<b>VI Exceptional items</b>	22 (b)	-	-
<b>VII Profit/ (loss) before tax (V-VI)</b>		<b>20,935.36</b>	<b>4,886.55</b>
Current tax	23	3,591.94	900.00
Deferred tax	23	3,885.24	959.12
Earlier years Income Tax		5.47	55.68
<b>VIII Tax expense</b>		<b>7,482.65</b>	<b>1,914.80</b>
<b>IX Profit/ (loss) for the period from continuing operations (VII-VIII)</b>		<b>13,452.71</b>	<b>2,971.75</b>
<b>X Profit/ (loss) from discontinuing operations</b>	34	(54.77)	(76.51)
<b>XI Tax expense of discontinuing operations</b>		(19.14)	-
<b>XII Profit/ (loss) from discontinuing operations (after tax) (X-XI)</b>		<b>(35.63)</b>	<b>(76.51)</b>
<b>XIII Profit/ (loss) for the period (IX+XII)</b>		<b>13,417.08</b>	<b>2,895.24</b>
<b>XIV Other comprehensive income</b>	24		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans		(259.31)	35.53
Tax effect		90.61	(12.42)
Net gains/(losses) on FVTOCI equity securities		81.23	588.81
<b>XV Total comprehensive income for the period (XIII+XIV)</b>		<b>13,329.61</b>	<b>3,507.16</b>
<b>XVI Earnings per equity share (for continuing operations)</b>	25		
a) Basic		12.56	2.79
b) Diluted		12.56	2.79
<b>XVII Earnings per equity share (for discontinuing operations)</b>	25		
a) Basic		(0.03)	(0.07)
b) Diluted		(0.03)	(0.07)
<b>XVIII Earnings per equity share (for discontinuing &amp; continuing operations)</b>			
a) Basic		12.53	2.72
b) Diluted		12.53	2.72
General information	1		
Summary of significant accounting policies	2		
See accompanying notes forming part of financial statements			

As per our attached report of even date

for **K S Rao & Co.**,

Chartered Accountants

Firm's Regn. No. 0031095

Sd/-

**(CA P. GOVARDHANA REDDY)**

Partner

Membership No. 029193

UDIN : 22029193AKLMYS9502

Place : Hyderabad

Date : 19<sup>th</sup> May, 2022

For and on behalf of the Board

Sd/-

**CA K. KARUNAKAR RAO**

Executive Director (Fin. & Comm.) & CEO

Sd/-

**N. JESVANTH REDDY**

Executive Director (Technical)

Sd/-

**CS V. RADHAKRISHNA MURTHY**

Company Secretary

Sd/-

**CA C. RAJESH KHANNA**

Vice President (F&A) & CFO



# TGV SRAAC LIMITED

## Cash Flow Statement for the year ended March 31, 2022

(₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Cash flow from operating activities</b>		
Profit before tax from continuing operations	20,935.36	4,886.55
Profit/(loss) before tax from discontinuing operations	(54.77)	(76.51)
<b>Profit before tax</b>	<b>20,880.60</b>	<b>4,810.04</b>
<b>Adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation and amortisation expenses	6,898.25	6,318.03
Interest income	(449.33)	(557.37)
Allowance for expected credit loss on trade receivables	23.00	-
Unrealized foreign exchange (gain)/loss	(350.37)	(260.64)
Dividend income on investments made	(7.36)	(6.12)
Interest expenses	4,315.70	3,626.09
Interest on lease liability	230.91	248.28
Interest expense due to amortisation of financial liability & deferred sales tax recognised	54.93	62.91
Income due to deferred sales tax recognised & capital subsidy recognised	(20.58)	(31.03)
Profit on sale of asset	(154.83)	-
<b>Operating profit before working capital changes</b>	<b>31,420.92</b>	<b>14,210.19</b>
<b>Working capital adjustments:</b>		
(Decrease)/Increase in trade payables	(223.61)	2,063.58
(Decrease)/Increase in current financial liabilities	4,544.74	(1,363.88)
(Decrease)/Increase in other current liabilities	123.40	(440.76)
(Decrease)/Increase in non-current financial liabilities	902.04	195.92
(Decrease)/Increase in short term provisions	(5.90)	(18.22)
(Increase)/Decrease in trade receivables	(13,326.45)	(1,647.27)
(Increase)/Decrease in inventories	688.05	1,112.79
(Increase)/Decrease in other current financial assets	50.72	26.57
(Increase)/Decrease in other current assets	(367.50)	(371.43)
(Increase)/Decrease in non-current financial assets	(0.38)	1,758.10
(Increase)/Decrease in non-current assets	1,177.73	(926.86)
<b>Cash generated from operating activities</b>	<b>24,983.77</b>	<b>14,598.73</b>
Direct taxes paid (net)	(3,696.60)	(1,439.13)
<b>Net cash flow from operating activities (A)</b>	<b>21,287.17</b>	<b>13,159.60</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets, including CWIP	(13,784.29)	(12,517.19)
Proceeds from sale of fixed asset	1,196.45	-
Sales/(Purchase) of investment	(4,015.35)	(3,487.60)
Interest received	602.05	424.62
Dividend received	7.36	6.12
Deposits matured/(placed) during the year	755.86	(881.76)
Redemption/(Investment) of margin money deposit	527.27	115.90
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(14,710.64)</b>	<b>(16,339.92)</b>
<b>Cash flows from financing activities</b>		
Proceeds from equity (share warrant application/Call money)	-	1,486.27
Repayment of preference shares	(0.97)	(0.30)
Interest paid	(4,315.70)	(3,626.09)
(Repayment)/Proceeds of long term borrowings	(7,101.42)	7,688.62
(Repayment)/Proceeds from short term borrowings	3,521.25	594.65
Payment of lease liability	(441.40)	(388.11)
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>(8,338.24)</b>	<b>5,755.05</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(1,761.69)</b>	<b>2,574.72</b>
Cash and cash equivalents at the beginning of the year	3,246.95	672.23
Cash and cash equivalents at the end of the year	1,485.26	3,246.95
<b>Components of cash and cash equivalents</b>		
Cash on hand	3.08	2.24
Cheques on hand	273.48	-
Balances with banks		
- in Current Account	736.90	557.83
Deposits with original maturity of less than three months	471.80	2,686.88
<b>Total cash and cash equivalents</b>	<b>1,485.26</b>	<b>3,246.95</b>

Note : The cash flow statement has been prepared under the " Indirect Method " setout in Ind AS-7 "Statement of Cash Flows"  
Previous year's figures have been regrouped / rearranged to conform to the current year's presentation, wherever necessary.

As per our attached report of even date

For and on behalf of the Board

for **K S Rao & Co.,**

Chartered Accountants  
Firm's Regn. No. 0031095

Sd/-  
**(CA P. GOVARDHANA REDDY)**  
Partner

Membership No. 029193  
UDIN : 22029193AKLMYS9502

Place : Hyderabad  
Date : 19<sup>th</sup> May, 2022

Sd/-  
**CA K. KARUNAKAR RAO**  
Executive Director (Fin. & Comml.) & CEO

Sd/-  
**N. JESVANTH REDDY**  
Executive Director (Technical)

Sd/-  
**CS V. RADHAKRISHNA MURTHY**  
Company Secretary

Sd/-  
**CA C. RAJESH KHANNA**  
Vice President (F&A) & CFO



# TGV SRAAC LIMITED

## Statement of Changes in Equity

(₹ in lakhs)

a. Equity share capital	Note	Amount
As at 31st Mar 2020	10(a)	10,177.81
Changes in equity share capital due to prior period errors		-
Restated balance at the Beginning of the previous reporting period		10,177.81
Changes in equity share capital during the year		535.45
As at 31st Mar 2021		10,713.26
Changes in equity share capital due to prior period errors		-
Restated balance at the Beginning of the previous reporting period		10,713.26
Changes in equity share capital during the year		-
As at 31st Mar 2022		10,713.26

(₹ in lakhs)

b. Other Equity	Particulars	Note	Reserves and Surplus			Items of Other Comprehensive		Money received against share warrants	Total other equity
			Securities premium reserve	Retained earnings	Other reserve (see note 10(b))	FVOCI equity instruments	OCI - Actuarial gain on gratuity/loss		
	Balance at 31st March, 2020		5,886.97	10,498.27	26,000.07	598.09	-	495.42	43,478.82
	Changes in equity for the period ended 31st, March 2021								
	Exercise of share warrants	10(b)(i)	1,446.25	-	-	-	-	-	1,446.25
	Transfer from retained earnings	10(b)(iii)	-	-	2,500.00	-	-	-	2,500.00
	Transfer from OCI	10(b)(iv)	-	23.11	-	-	-	-	23.11
	Profit for the year	10(b)(iv)	-	2,895.24	-	-	-	-	2,895.24
	Transfer to general reserve	10(b)(iv)	-	(2,500.00)	-	-	-	-	(2,500.00)
	MAT credit entitlement		-	2,371.09	-	-	-	-	2,371.09
	Equity instruments through other comprehensive income	10(b)(v)	-	-	-	588.81	-	-	588.81
	Gains/(losses) on arising from actuarial gain/loss on gratuity	10(b)(v)	-	-	-	-	23.11	-	23.11
	Transfer to retained earnings	10(b)(v)	-	-	-	-	(23.11)	-	(23.11)
	Share warrant application money received	10(b)(v)	-	-	-	-	-	1,486.27	1,486.27
	Shares issued during the year	10(b)(v)	-	-	-	-	-	(1,981.70)	(1,981.70)
	Balance at 31st March, 2021		7,333.22	13,287.72	28,500.07	1,186.90	-	0.00	50,307.89
	Changes in equity for the period ended 31st, March 2022								
	Exercise of share warrants	10(b)(i)	-	-	-	-	-	-	-
	Transfer from retained earnings	10(b)(iii)	-	-	5,000.00	-	-	-	5,000.00
	Transfer from OCI	10(b)(iv)	-	(168.69)	-	-	-	-	(168.69)
	Profit for the year	10(b)(iv)	-	13,417.08	-	-	-	-	13,417.08
	Transfer to general reserve	10(b)(iv)	-	(5,000.00)	-	-	-	-	(5,000.00)
	MAT credit entitlement		-	-	-	-	-	-	-
	Equity instruments through other comprehensive income	10(b)(v)	-	-	-	81.23	-	-	81.23
	Gains/(losses) on arising from actuarial gain/loss on gratuity	10(b)(v)	-	-	-	-	(168.69)	-	(168.69)
	Transfer to retained earnings	10(b)(v)	-	-	-	-	168.69	-	168.69
	Share warrant application money received	10(b)(v)	-	-	-	-	-	-	-
	Shares issued during the year	10(b)(v)	-	-	-	-	-	-	-
	Balance at 31st March, 2022		7,333.22	21,536.10	33,500.07	1,268.13	-	0.00	63,637.52

As per our attached report of even date  
for **K S Rao & Co.,**  
Chartered Accountants  
Firm's Reg. No. 003109S

Sd/-  
**(CA P. GOVARDHANA REDDY)**  
Partner  
Membership No. 029193  
UDIN : 22029193AKLMYS9502  
Place : Hyderabad  
Date : 19<sup>th</sup> May, 2022

For and on behalf of the Board

Sd/-  
**CA K. KARUNAKAR RAO**  
Executive Director (Fin. & Comml.) & CEO

Sd/-  
**N. JESVANTH REDDY**  
Executive Director (Technical)

Sd/-  
**CS V. RADHAKRISHNA MURTHY**  
Company Secretary

Sd/-  
**CA C. RAJESH KHANNA**  
Vice President (F&A) & CFO



## Notes to financial statements for the year ended 31st March, 2022

### Note 1: General Information

TGV SRAAC LIMITED (formerly known as Sree Rayalaseema Alkalies and Allied Chemicals Limited) incorporated on 24<sup>th</sup> June, 1981 is the flagship company of the TGV Group. It is the leading producer of Chlor-Alkali products, Chloromethane and also manufactures Castor Derivatives and Fatty Acids.

The Company is a public limited company domiciled in India. The equity shares of the Company are listed on Bombay Stock Exchange (BSE).

The financial statements are approved for issue by the Company's Board of Director's on 19<sup>th</sup> May, 2022.

### Note 2: Significant Accounting Policies

#### A. Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016, Companies (Indian Accounting Standards) Amendment Rules, 2017, Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

#### B. Basis of preparation and presentation of financial statements

The financial statements have been prepared in accordance with the Indian Generally Accepted Accounting Principles on accrual basis of accounting and the historical cost convention basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

#### C. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period





## Notes to financial statements for the year ended 31st March, 2022

### D. Use of estimates and judgements

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates.

Any revision to accounting estimates is recognised prospectively in current and future periods. The critical accounting judgements and key estimates followed by the Company for preparation of financial statements is described in Note 2(W).

### E. Property, Plant and Equipment

Freehold Land is carried at historical cost. Other property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under Other Non-Current Assets and the cost of the assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

### F. Depreciation and amortisation

The Company depreciates property, plant and equipment over their estimated useful lives as specified in Schedule II to the Companies act, 2013 using the straight-line method in respect of plant and machinery and buildings and in respect of other assets on written down value method.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The useful life as prescribed under Schedule II of the Companies Act have been followed except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc:



## Notes to financial statements for the year ended 31st March, 2022

- Continuous process plant – 18years
- Thermal power plant – 13years
- Chlorine cylinders – 5 years
- Membranes – 5 years
- Soap plant – 15years

### G. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation of the technical experts.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

### H. Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/ distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and



## Notes to financial statements for the year ended 31st March, 2022

- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in Note 34. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

### I. Impairment of Tangible Assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

In such cases, the recoverable amount is determined for the cash generating unit to which the asset belongs. If such assets are considered to be impaired, the impairment is recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### J. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



## Notes to financial statements for the year ended 31st March, 2022

- **Financial assets**

### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost
- Equity instruments at fair value through other comprehensive income (FVTOCI)

### Financial assets at amortised cost

A 'Financial asset' is measured at the amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables. For more information on receivables, refer to Note 8.

### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.



## Notes to financial statements for the year ended 31st March, 2022

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either

- (a) the Company has transferred substantially all the risks and rewards of the asset, or
- (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

### Impairment of Financial assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss.

The Company follows "Simplified approach" for recognition of impairment loss allowance on 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.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

- **Financial liabilities**

#### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.



## Notes to financial statements for the year ended 31st March, 2022

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## K. Investment in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

Such investments in which the Company has no significant influence are accounted under Ind AS 109 at fair value and the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

## L Inventories

Inventories are stated at the lower of cost and net realisable value after providing for obsolescence. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to

**Notes to financial statements for the year ended 31st March, 2022**

make the sale. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

**M. Cash and Cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**N. Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax.

- **Current Tax:**

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

- **Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

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



## Notes to financial statements for the year ended 31st March, 2022

### • Current and Deferred Tax for the Year:

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

### O. Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants related to revenue items are presented as part of profit or loss under general heading such as other income or they are deducted in reporting the related expenses. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognized in profit or loss in the period in which they become receivable.

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

### P. Provisions, Contingent liabilities and Commitments

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

Contingent liability is disclosed in the case of;

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.





### Notes to financial statements for the year ended 31st March, 2022

#### Contingent asset

Wherever there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when the inflow of economic benefit is probable.

#### Q. Revenue Recognition

Effective 1<sup>st</sup> April, 2018 the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.

The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates.

Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Our customers have the contractual right to return goods only when authorised by the Company. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

#### R. Leases

Ind AS 116 'Leases' was notified on 30<sup>th</sup> March, 2019 and it replaces Ind AS 17 'Leases', including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1<sup>st</sup> April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-Balance Sheet model similar to the accounting for finance leases under Ind AS 17.

The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the



## Notes to financial statements for the year ended 31st March, 2022

commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lease is 'a contract or part of a contract that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. An underlying asset has been defined to mean an asset that is the subject of lease, for which the right to use that asset has been provided by a lessor or lessee.

### Measurement of lease liability

On the date of transition lease liability is measured at present value of lease payments that are not paid as at the date of transition.

After the transition date lease liability is measured at amortised cost using the effective interest method.

Subsequently the company measures the lease liability by increasing the carrying amount to reflect the interest on the lease liability; reducing the carrying amount to reflect the lease payments made; and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company uses the incremental borrowing rate which is the rate of interest that a lessee would have to pay over a similar term, and with a similar security, the funds necessary to obtain an asset of similar value of the right-to-use asset in a similar economic environment.

### Right-of-use asset (ROU)

This is measured as lease liability adding any initial direct costs, prepaid lease payments, cost to dismantle or restore less lease incentives.

After the commencement date, the Company measures the ROU at cost:

- Less any accumulated depreciation and any accumulate impairment losses; and
- Adjusted for any re-measurement of the lease liability on subsequent to lease commencement date

A Company applies the depreciation requirement in Ind AS 16 while depreciating ROU asset. The said asset is depreciated over a period of lease term unless in case where ownership of underlying asset is transferred. In such case, the asset is depreciated over the useful life of underlying asset. Also, impairment requirements as per Ind AS 36 is applied by the Company.

## 5. Foreign Currencies

### (i) Functional Currency:

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to lakhs).

**Notes to financial statements for the year ended 31st March, 2022****(ii) Transactions and translations:**

In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

**T. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**U. Employee Benefits****Short term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of Bonus, Ex-gratia, Leave Travel Allowance, Reimbursement of Medical Expenses, Personal Accident Policy, Deposit Linked Insurance Policy are recognised in the period in which the employee renders the related services.

**Post-Employment Benefits:****(i) Defined Contribution Plan:**

The Company's contribution paid / payable during the year to Provident Fund, Superannuation Fund and other welfare funds are considered as defined contribution plans.

The Contribution paid / payable under these plans are recognised in the Statement of Profit and Loss during the period in which the employee renders the services.

**Notes to financial statements for the year ended 31st March, 2022****(ii) Defined Benefit Plans:**

The Gratuity Scheme managed by Life Insurance Corporation of India through a Trust is considered as defined benefit plan. The present value of the obligation is determined based on actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss and Other Comprehensive Income.

The fair value of the plan assets is reduced from the gross obligation under the defined benefit plan to recognise the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

**(iii) Long term Employee Benefits:**

The obligation for long term employee benefits such as long term compensated absences, long service awards, etc. is recognised in the same manner as in the case of defined benefit plans as mentioned in (b) (ii) above except that the actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

**V. Earnings per share**

Basic earnings per share are computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company has made preferential allotment of Share Warrants convertible into equity shares. The warrants that are yet to be converted are treated as dilutive shares.

**Estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Revenue recognition:**

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion.

**Useful lives and residual value of property, plant and equipment:**

The Company reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**Notes to financial statements for the year ended 31st March, 2022****Allowance for expected credit losses:**

Note 2(J) describes the use of practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The expected credit allowance is based on the aging of the days receivables which are past due and the rates derived based on past history of defaults in the provision matrix.

**Fair value of investments:**

The Company has invested in the equity instruments of various companies. However, the percentage of shareholding of the Company in such investee companies is very low and hence, it has not been provided with future projections including projected profit and loss account by those investee companies. Hence, the valuation exercise carried out by the Company with the help of available historical annual reports and other information in the public domain.

**Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Contingent liability judgement:**

Note 27 describes claims against the Company not acknowledged as debt. Contingencies may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum of contingencies inherently involve the exercise of significant judgement and the use of estimates regarding the outcome of future events.

**W. COVID-19 impact:**

The outbreak of COVID 19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian markets and slowdown in the economic activities.

The management in this regard, has carefully considered the circumstances and risk exposures arising from the COVID 19 situation for developing estimates on the basis of all available information in its assessment of impact thereof on its financial reporting.

The extent to which the COVID 19 pandemic will impact the Company's future results will depend on developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID 19 pandemic and any action to contain its spread or mitigate its impact by the government.

The Company will continue to closely monitor any material changes to future economic conditions.

**Recent Indian Accounting Standard (Ind AS) and other pronouncements which are not yet effective:**

**Notes to financial statements for the year ended 31st March, 2022**

On 23 March 2022, the Ministry of Corporate Affairs (“MCA”) through notifications, amended the existing Ind AS. The same shall come into force from annual reporting period beginning on or after April 1 2022. Key Amendments relating to the same where financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are: -

Ind AS 16 Property, Plant and Equipment – For items produced during testing/trial phase, clarification added that revenue generated out of the same shall not be recognised in the Standalone Statement of Profit and Loss and considered as part of cost of PPE.

Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.

Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the ‘10 per cent’ test in assessing whether to derecognise a financial liability.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

The Code on Social Security,2020 (“Code”) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified.

The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.



Notes to financial statements for the year ended 31st March, 2022

Note 3: Property, Plant and Equipment

(₹ in lakhs)

Particulars	Freehold, buildings, roads & fencing	Freehold, land*	Furniture, fittings and equipment	Thermal Power Plants	Plant and machinery continuous Process	Other Plant & Machinery	Office & Telephone Equipments	Lab, Workshop & Other Equipment	Computers	Vehicles	Total	Capital Work-in-Progress
Closing gross carrying amount as at 31st March, 2020	1,193.32	12,627.38	108.25	35,806.21	1,03,417.76	4,615.63	578.19	386.10	632.23	405.78	1,59,770.85	2,935.23
Additions	5.35	243.75	-	64.36	2,579.74	19.44	24.81	24.42	18.78	-	2,980.63	9,573.79
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31st March, 2021	1,198.65	12,871.13	108.25	35,870.57	1,05,997.50	4,635.07	603.00	410.52	651.01	405.78	1,62,751.48	12,509.02
Additions	1,347.99	1,278.81	1.64	5.59	17,933.83	10.32	47.93	17.29	23.48	129.29	20,796.17	12,148.21
Disposals	1,041.62	-	-	63.78	-	-	2.11	-	-	6.76	1,114.27	19,114.98
Closing gross carrying amount as at 31st March, 2022	1,505.02	14,149.94	109.89	35,812.38	1,23,931.33	4,645.39	648.82	427.81	674.49	528.31	1,82,433.38	5,542.25
Accumulated depreciation as at 31st March, 2020	-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated depreciation as at 31st March, 2020	-	4,000.17	98.96	27,395.59	43,526.93	4,313.28	497.14	324.37	582.94	335.03	81,074.40	-
Depreciation charge during the year	-	378.64	1.33	1,167.20	4,460.24	5.75	33.62	15.07	17.61	17.22	6,096.66	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated depreciation as at 31st March, 2021	-	4,378.81	100.29	28,562.79	47,987.17	4,319.03	530.76	339.44	600.55	352.25	87,171.09	-
Depreciation charge during the year	-	413.10	1.21	1,094.07	5,044.33	10.17	32.88	15.84	21.39	17.55	6,650.54	-
Disposals	-	-	-	-	-	-	1.98	-	-	-	68.53	-
Closing Accumulated depreciation as at 31st March, 2022	-	4,791.91	101.50	29,596.26	53,031.50	4,329.20	561.66	355.28	621.94	363.85	93,753.10	-
Net Carrying amount as at 31st March, 2021	1,198.65	8,492.32	7.96	7,307.78	58,010.33	316.04	72.24	71.08	50.46	53.53	75,580.39	-
Net Carrying amount as at 31st March, 2022	1,505.02	9,358.03	8.39	6,216.12	70,899.83	316.19	87.16	72.53	52.55	164.46	88,680.28	-

Title deeds of immovable property not held in name of the company :

\*The title deeds of property 12.17 acres of land value of Rs. 15.29 Lakhs situated at Bellary plant were held in the name of Karnataka Industrial Areas Development Board (KIADB) and the transfer of title deeds in the name of the company is in process. During the year, the company has not revalued its Property, Plant and Equipment.

Note 3 (a) : Capital Work-in-Progress

Particulars	₹ in lakhs		
	As at 31st March, 2022	As at 31st March, 2021	Total
Opening carrying value	12,509.02	2,935.23	15,444.25
Additions	12,148.21	12,355.17	24,503.38
Transfer to property, plant and equipment	(19,114.98)	(2,781.38)	(21,896.36)
Closing carrying value	5,542.25	12,509.02	18,051.27
<b>Aging Schedule</b>			
As at 31st March, 2022	₹ in lakhs		
Particulars	less than 1 year	1-2 years	2-3 years More than 3 years
Projects in Progress	5,542.25	-	-
Total	-	-	5,542.25
<b>As at 31st March, 2021</b>			
Particulars	less than 1 year	1-2 years	2-3 years More than 3 years
Projects in Progress	12,509.02	-	-
Total	-	-	12,509.02



## Notes to financial statements for the year ended 31st March, 2022

## Note 4: Investment property

Particulars	(₹ in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Gross carrying amount</b>		
Opening gross carrying amount	7.05	7.05
Additions	-	-
<b>Closing gross carrying amount</b>	<b>7.05</b>	<b>7.05</b>
<b>Accumulated depreciation</b>		
Opening accumulated depreciation	-	-
Depreciation charge	-	-
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>-</b>
<b>Net carrying amount</b>	<b>7.05</b>	<b>7.05</b>
<b>Fair value</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>

Investment properties	52.15	52.15
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**Estimation of fair value**

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences

The main input used is the price per square metre as per state government's registration and stamps department rate for the property. All resulting fair value estimates for investment properties are included in level 2.

**Note 5: Financial assets****5(a) Non-current Investments**

Particulars	(₹ in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Investment in Other Companies</b>		
<b>Investment in equity instruments at fair value through other comprehensive income (fully paid)</b>		
<b>Quoted</b>		
2,44,749 (March 31, 2021 : 2,44,749) equity shares of Sree Rayalaseema Hi-Strength Hypo Ltd	1,159.38	578.46
839 (March 31, 2021: 839) equity shares of Indian Bank	1.29	0.98
<b>Unquoted</b>		
98,62,400 (March 31, 2021 : 98,62,400) equity shares of Andhra Pradesh Gas Power Corporation Ltd (13,93,600 shares pledged with financial institutions)	7,780.00	8,280.00
<b>Total equity investments</b>	<b>8,940.67</b>	<b>8,859.44</b>
<b>Investment in government securities carried at amortised cost</b>		
<b>Unquoted</b>		
National Saving Certificates	1.59	1.90
<b>Total non-current investments</b>	<b>8,942.26</b>	<b>8,861.34</b>
Aggregate amount of quoted investments and market value thereof	1,160.67	579.44
Aggregate amount of un-quoted investments	7,781.59	8,281.90
Aggregate amount of impairment in the value of investments	-	-





## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### 5(b) Other non-current financial assets

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security Deposits with Power Distribution Corporation Ltd	899.84	899.84
Bank Deposits with more than 12 Months Maturity	635.82	16.91
Rent advance	7.73	7.35
<b>Total</b>	<b>1,543.39</b>	<b>924.10</b>

#### Note 6: Other non-current assets

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital Advances	976.05	939.39
Amount paid under protest	5.00	5.00
Advances to related parties	-	1,214.40
<b>Total</b>	<b>981.05</b>	<b>2,158.79</b>

#### Note 7: Inventories

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	4,828.23	3,425.95
Work-in-progress	634.93	650.54
Finished Goods	1,149.70	1,021.89
Stores and spares, Chemicals, fuel and packing materials	3,327.80	5,047.88
Scrap and other disposals	39.37	56.96
Goods in transit		
- Raw Materials	805.00	544.30
- Stores and spares	134.47	860.04
<b>Total</b>	<b>10,919.50</b>	<b>11,607.56</b>

#### Note 8(a): Trade receivables

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured-considered good*	23,222.08	9,918.63
Unsecured-considered doubtful	115.57	120.00
Less: Bad debts written off	-	(27.43)
	<b>23,337.65</b>	<b>10,011.20</b>
Impairment Allowance (allowance for bad and doubtful debts after write-off bad debts)**	(115.57)	(92.57)
<b>Total trade receivables</b>	<b>23,222.08</b>	<b>9,918.63</b>

(\*Refer note 32(b) for related party trade receivables)


**Notes to financial statements for the year ended 31st March, 2022**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

No interest is charged on Trade Receivables for delay in payment beyond credit period from the due date of the Invoice.

The Company has used a practical expedient by computing the expected credit loss allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates are given in the provision matrix. The provision matrix at the end of the Reporting Period is as follows :

Ageing:	As at 31st March, 2022
With in credit period	0.25%
Upto 60 days past due	0.50%
61-90 days past due	1.00%
91-180 days past due	5.00%
more than 180 days past due	10.00%

Ageing of receivables			(₹ in lakhs)
Particulars	As at 31st March,2022	ECL	
Below due date	9,168.50		
With credit period	7,490.57	18.73	
Upto 60 days past due	3,627.51	18.14	
61-90 days past due	2,297.24	22.97	
91-180 days past due	401.56	20.08	
more than 180 days past due	352.27	35.23	
<b>Total trade receivables (before impairment allowance)</b>	<b>23,337.65</b>	<b>115.14</b>	

**Movement in Expected Credit Loss Allowance (ECL) :**

Movement in Expected Credit Loss Allowance (ECL) :			(₹ in lakhs)
Particulars	As at 31st March, 2022	As at 31st March, 2021	
<b>Balance at the beginning of the year</b>	<b>92.57</b>	<b>120.00</b>	
Movement in Expected Credit Loss Allowance on trade receivables calculated at lifetime expected credit losses	<b>23.00</b>	<b>(27.43)</b>	
<b>Balance at the end of the year</b>	<b>115.57</b>	<b>92.57</b>	

\* The allowance for expected credit losses for the year includes additional provision for doubtful debts apart from provision made based on above matrix.

**Ageing Schedule**
**As at 31st March,2022**

As at 31st March,2022								(₹ in lakhs)
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total		
(i) Undisputed Trade receivables – considered good	23,008.50	267.48	50.74	10.93	-	-	23,337.65	
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	

**As at 31st March,2021**

As at 31st March,2021								(₹ in lakhs)
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total		
(i) Undisputed Trade receivables – considered good	9,908.84	87.60	1.94	12.82	-	-	10,011.20	
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### Note 8(b): Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with banks in Current Account	736.90	557.83
Deposits with original maturity of less than three months	471.80	2,686.88
Cheques on hand	273.48	-
Cash on hand	3.08	2.24
<b>Total</b>	<b>1,485.26</b>	<b>3,246.95</b>

#### Note 8(c): Bank balances other than Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deposits with maturity of more than three months but less than 12 months	1,713.56	3,088.34
Margin money with banks	3,778.87	4,306.08
LC-Margin deposit with bank	-	0.06
<b>Total</b>	<b>5,492.43</b>	<b>7,394.48</b>

#### Note 8(d): Other financial assets

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Tender/Security/Telephone Deposits	137.66	77.98
Sales tax, Power and export Incentives Receivable	8,743.63	8,854.03
Interest receivable on deposits	187.20	339.92
Advances to related parties	207.09	207.09
Derivative asset	3.56	-
<b>Total</b>	<b>9,279.14</b>	<b>9,479.02</b>

#### Note 9: Other current assets

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advances to related parties	0.27	8.64
Advance to suppliers	1,266.49	893.75
Advance to employees	97.19	90.37
Advance to contractors & transporters	198.52	56.51
Prepaid insurance and other expenses	480.57	314.85
Advance Excise Duties/CENVAT/VAT/Service tax	1.60	29.46
Security deposit adjustable against power charges	-	345.32
Other advances	114.75	52.99
<b>Total</b>	<b>2,159.39</b>	<b>1,791.89</b>


**Notes to financial statements for the year ended 31st March, 2022**
**Break up of financial assets carried at amortised cost and at fair value through other comprehensive income**

(₹ in lakhs)

Particulars	Non-Current		Current		
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021	
<b>Financial assets carried at amortised cost</b>					
- Trade receivables	-	-	23,222.08	9,918.63	
- Cash and cash equivalents	-	-	1,485.26	3,246.95	
- Bank balances other than Cash and cash equivalents	-	-	5,492.43	7,394.48	
- Investments in government securities	1.60	1.90	-	-	
- Other financial assets	1,543.39	924.10	9,279.14	9,479.02	
(A)	<b>1,544.99</b>	<b>926.00</b>	<b>39,478.91</b>	<b>30,039.08</b>	
<b>Financial assets carried at fair value through other comprehensive income</b>					
- Investments	8,940.67	8,859.44	-	-	
(B)	<b>8,940.67</b>	<b>8,859.44</b>	<b>-</b>	<b>-</b>	
<b>Total financial assets</b>	(A+B)	<b>10,485.65</b>	<b>9,785.44</b>	<b>39,478.91</b>	<b>30,039.08</b>

**Note 10: Equity share capital and other equity**
**10(a) Equity share capital**

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) <b>Authorised Share Capital :</b> 13,00,00,000 Equity Shares of Rs. 10/- each (as at 31st march 2021 - 13,00,00,000 Equity Shares of Rs.10/- each)	13,000.00	13,000.00
(b) <b>Issued:</b> 10,72,69,886 Equity shares of Rs.10/- each issued (as at 31st march 2021- 10,72,69,886 Equity Shares of Rs.10/- each)	10,726.99	10,726.99
(c) <b>Subscribed and fully paid</b> 10,70,89,800 Equity shares of Rs.10/- each fully paid (as at 31st march 2021-10,70,89,800 Equity Shares of Rs.10/- each)	10,708.98	10,708.98
(d) <b>Subscribed &amp; not fully paid (forefeited)</b> 1,80,086 Equity shares of Rs.10/- each (as at 31st march 2021- 1,80,086 Equity shares of Rs.10/- each)	4.28	4.28
<b>Total</b>	<b>10,713.26</b>	<b>10,713.26</b>

**Reconciliation of the number of equity shares outstanding**

(Shares in Numbers)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>At the beginning of the year</b>	10,70,89,800	10,17,35,310
Add: Issued during the year	-	53,54,490
Less: Bought back during the year	-	-
<b>At the end of the year</b>	<b>10,70,89,800</b>	<b>10,70,89,800</b>



# TGV SRAAC LIMITED

## Notes to financial statements for the year ended 31st March, 2022

### Terms/ rights attached to equity shares

The company has only one class of equity shares having face value of INR 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Sree Rayalaseema Hi-Strength Hypo Limited	2,05,44,496	19.18%	2,05,44,496	19.18%
TGV Project & Investaments Private Limited	1,16,94,248	10.92%	1,16,94,248	10.92%
Brilliant Industries Private Limited	2,65,14,230	24.76%	2,65,14,230	24.76%
Sri T G Venkatesh	53,90,613	5.03%	53,90,613	5.03%
<b>Total</b>	<b>6,41,43,587</b>	<b>59.89%</b>	<b>6,41,43,587</b>	<b>59.89%</b>

### Disclosures of Shareholding of Promoters - Shares held by the Promoters as at 31st March, 2022:

Particulars	No of Shares at the beginning of the year	Change during the year	No of Shares at the end of the year	% of Total Share
Brilliant Industries Private Limited	2,65,14,230	-	2,65,14,230	24.76
Sree Rayalaseema Hi-Strength Hypo Limited	2,05,44,496	-	2,05,44,496	19.18
TGV Project & Investaments Private Limited	1,16,94,248	-	1,16,94,248	10.92
Sree Rayalaseema Dutch Kassenbouw Private Limited	18,81,109	-	18,81,109	1.76
Gowri Gopal Hospitals Private Limited	10,05,375	-	10,05,375	0.94
Sree Rayalaseema Galaxy Projects Private Limited	54,662	-	54,662	0.05
TGV Securities Private Limited	14,150	-	14,150	0.01
T G Venkatesh	53,90,613	-	53,90,613	5.03
T G Rajyalakshmi	3,22,384	-	3,22,384	0.30
T G Bharath	1,29,744	-	1,29,744	0.12
Jyothsna Mysore	13,361	-	13,361	0.01
Boda Mourya	92,800	-	92,800	0.09


**Notes to financial statements for the year ended 31st March, 2022**
**Disclosures of Shareholding of Promoters - Shares held by the Promoters as at 31st March, 2021:**

Particulars	No of Shares at the beginning of the year	Change during the year	No of Shares at the end of the year	% of Total Share
Brilliant Industries Private Limited	2,11,59,740	53,54,490	2,65,14,230	24.76
Sree Rayalaseema Hi-Strength Hypo Limited	2,05,44,496	-	2,05,44,496	19.18
TGV Project & Investaments Private Limited	1,16,94,248	-	1,16,94,248	10.92
Sree Rayalaseema Dutch Kassenbouw Private Limited	18,81,109	-	18,81,109	1.76
Gowri Gopal Hospitals Private Limited	10,05,375	-	10,05,375	0.94
Sree Rayalaseema Galaxy Projects Private Limited	54,662	-	54,662	0.05
TGV Securities Private Limited	14,150	-	14,150	0.01
T G Venkatesh	53,90,613	-	53,90,613	5.03
T G Rajyalakshmi	3,22,384	-	3,22,384	0.30
T G Bharath	1,29,744	-	1,29,744	0.12
Jyothsna Mysore	13,361	-	13,361	0.01
Boda Mourya	92,800	-	92,800	0.09

As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents legal ownership of shares as at balance sheet date.

The Company has allotted 50,86,765 equity shares of Rs,10/- each on 14th March,2020 at a premium of Rs.27.01 to promotors group by conversion out of 1,52,73,682 share warrants allotted on 27th January, 2019 on preferential basis.

The Company has allotted 53,54,490 equity shares of Rs,10/- each on 20th May,2020 at a premium of Rs.27.01 to promotors group by conversion out of 1,52,73,682 share warrants allotted on 27th January, 2019 on preferential basis.

**10(b): Other Equity**

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Share premium	7,333.22	7,333.22
(ii) General reserve	33,500.07	28,500.07
(iii) Retained earnings	21,536.10	13,287.71
(iv) Reserve for other comprehensive income items	1,268.13	1,186.90
<b>Total</b>	<b>63,637.52</b>	<b>50,307.90</b>

**Reserves and Surplus**
**(i) Share premium**

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	7,333.22	5,886.97
Issue of equity shares by exercise of share warrants	-	1,446.25
<b>Closing balance</b>	<b>7,333.22</b>	<b>7,333.22</b>



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

(ii) General Reserve		
(₹ in lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	28,500.07	26,000.07
Transfer from Retained earnings	5,000.00	2,500.00
<b>Closing balance</b>	<b>33,500.07</b>	<b>28,500.07</b>

(iii) Retained earnings		
(₹ in lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	13,287.71	10,498.27
MAT credit entitlement	-	2,371.09
Net profit for the period	13,417.08	2,895.24
Transfer to General Reserve	(5,000.00)	(2,500.00)
Transfer from Reserve for other comprehensive Income	(168.69)	23.11
<b>Closing balance</b>	<b>21,536.10</b>	<b>13,287.71</b>

(iv) Reserve for items of Other Comprehensive income		
(₹ in lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Change in fair value of FVTOCI - equity instruments (Net of taxes)</b>		
- Opening balance	1,186.90	598.09
- Net gains/(losses) on FVTOCI equity securities during the year	81.23	588.81
- <b>Closing balance</b>	<b>1,268.13</b>	<b>1,186.90</b>
<b>Other Comprehensive income arising from actuarial gain/loss on defined benefit obligation (Net of taxes)</b>		
- Opening balance	-	-
- Gains/(losses) on arising from actuarial gain/loss on gratuity	(168.69)	23.11
- Transfer to retained earnings	168.69	(23.11)
- <b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>Total Closing balance</b>	<b>1,268.13</b>	<b>1,186.90</b>

(v) Money received against share warrants		
(₹ in lakhs)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	-	495.43
Share warrant application money received	-	1,486.27
Shares issued during the year	-	1,981.70
<b>Closing balance</b>	<b>-</b>	<b>-</b>

#### Nature and purpose of other reserves

##### Securities Premium Reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**Notes to financial statements for the year ended 31st March, 2022****Fair value of Equity Instruments through Other Comprehensive Income (FVOCI)**

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

**General Reserve**

The General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purpose. As General Reserve is created by a transfer from one component of Equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to profit or loss.

**Note 11(a): Long Term Borrowings**

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Non-current borrowings</b>		
<b>Secured</b>		
<b>Term Loans</b>		
From institutions		
IFCI Ltd*	-	187.07
From Banks **	8,915.26	4,900.83
<b>Working capital Term Loans</b>		
From banks***	5,202.38	4,843.31
LC Payable to banks for capital good received	3,916.95	15,103.59
	<b>18,034.59</b>	<b>25,034.80</b>
<b>UnSecured</b>		
Deferred Payment liabilities (Sales Tax deferrment/loan sanctioned as per State Incentive Schemes) (Repayable from the year 2018-19 to 2023-24)	85.46	292.67
	85.46	292.67
<b>Total</b>	<b>18,120.05</b>	<b>25,327.47</b>

There is no default as at 31st March, 2022 and 31st March 2021, in repayment of loans and interest payments on Term Loans.

**Terms of repayment**

\*\*IFCI Ltd. Corporate Term Loan of Rs. 4500 Lakhs loan is repayable in 48 monthly Instalments from December, 2017 carries interest rate of Base rate + 1.50%p.a.\*\*\* Indian Bank Term Loan (Rs. 10000 Lakhs sanctioned for Chloromethanes expansion is repayable in 20 quarterly instalment from June 2022 at interest rate of 1 Year MCLR+0.70%)."

\*\*\*\*Working Capital term loans availed from Indian Bank (Rs. 5000 lakhs repayable in 60 monthly instalments from Febuary, 2019 at interest rate of MCLR 1year + Spread 3.15%p.a)."

"COVID working capital term loans availed from, Indian Bank Rs 867 lakhs is repayable in 30 monthly instalments starting from April 2021 at interest rate of 1 Year MCLR., South Indian Bank Limited Rs. 75 lakhs is repayable in 12 monthly instalments starting from Dec 2020 at interest rate of MCLR + 1.85."\*\*GECLs working capital term loans availed from Indian Bank Rs. 953 lakhs are repayable in 48 monthly instalments starting from Feb 2022 at interest rate of 1 Year MCLR + 1%, "IDBI Bank Ltd. Rs. 957 lakhs is repayable in 48 monthly instalments starting from Jan 2022 at interest rate of MCLR + 1%, "Punjab National Bank Rs. 225 lakhs is repayable in 48 monthly instalments starting from Jan 2022 at interest rate of MCLR + 1%, and "South Indian Bank Limited Rs. 86 lakhs is repayable in 48 monthly instalments starting from March 22 at interest rate of MCLR + 1%."GECL Term loan availed from IDBI Bank Rs. 480 lakhs is repayable in 48 monthly instalments starting from March 23 at interest rate of MCLR + 1% and from Indian Bank Rs. 1800 lakhs repayable in 48 monthly instalments from Jan 24 at interest rate of MCLR + 1%."





# TGV SRAAC LIMITED

## Notes to financial statements for the year ended 31st March, 2022

### Security

#### Term loans

The above Corporate Term Loan from IFCI Ltd is secured by first pari passu charge on immovable / movable assets of the company both present and future (excluding the project assets of Chloromethanes Project which are exclusively charged to Banks) and further guaranteed by Shri.T.G.Venkatesh.

The above Term Loan from Banks i.e., Indian Bank is secured by first pari passu charge on all fixed assets of the company including fixed assets of Chlorometahnes expansion project (excluding specific LC charges)

#### Working capital loans

"The above Working capital term loan from Indian Bank secured by pari passu first charge on existing fixed assets of the Company and specific lien on government incentives receivable and personal guarantee of Shri. T.G.Venkatesh.

For COVID / GECLs term loans from Banks India Bank, IDBI Bank, Punjab National Bank and South Indian Bank shall rank 2nd charge with existing credit facilities."

#### Letter of Credit

Letters of credit for capital goods secured by exclusive charge on specific asset procured and guaranteed by Shri T.G.Venkatesh.

#### Note 11(b): Other Non-Current Financial Liabilities

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Deposits from Dealers/customers	-	560.00
Liabilities for future outcome of disputed dues considering present obligation and probable future outflows:		
Customs duty payable recognised as Exceptional item	1,097.12	1,097.12
Fuel surcharge adjustment(FSA) and Electricity duty payable	2,142.83	2,142.82
Surcharges/Interest payable on power charges,excise duty, Sales tax and other dues	4,139.99	2,677.95
<b>Total</b>	<b>7,379.94</b>	<b>6,477.89</b>

#### Note 11(c): Current borrowings

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Secured</b>		
<b>From banks</b>		
Working capital demand loans	97.91	538.84
Cash Credits	419.02	1,234.88
Bill Discounting	380.92	68.57
Letters of Credit issued by Banks to Creditors (Payable to Banks on due dates of Letters of Credit)	16,980.38	13,625.60
<b>Un Secured</b>		
Finance from TReADS (reverse factoring)	3,201.13	1,436.55
Unsecured loan for NBFC	500.00	1,400.00
<b>From Others</b>		
Sale/Purchase Bills Discounted with Can Bank Factors Ltd (Payable on due dates of Bills/factors)	1,080.50	1,068.88
<b>Total</b>	<b>22,659.86</b>	<b>19,373.32</b>

**Notes to financial statements for the year ended 31st March, 2022**

There is no default as at 31st March, 2022, 31st March, 2021, in repayment of loans and interest payments on Working capital Loans, Letters of Credit issued and Bills discounted with Banks and others.

**Security****a) Short Term Loans from Banks:**

The above Working Capital Demand Loans and Cash Credits are with various banks at interest rate of MCLR plus Spread. Spread varies from 2.15% to 4.25%

The Working Capital Demand Loans, Cash Credits and Bills discounted by Banks are secured by 1st pari passu charge by way of hypothecation of inventories and receivable of the Company and further secured by 2nd pari passu charge on land, building and Plant and machinery and guaranteed by Shri T.G.Venkatesh.

**b) Letters of Credit from Banks:**

The above Letter of credit facility availed from Banks were secured by 1st pari passu by way of hypothecation of inventories and receivable of the Company and further secured by 2nd pari passu charge on land, building and Plant and machinery and Letters of credit for capital goods secured by exclusive charge on specific asset procured and guaranteed by Shri T.G.Venkatesh.

**c) Bills discounted with Can Bank Factors Ltd:**

The above Sale Bill discounting facility from Can Bank Factors Ltd is secured by second charge on respective fixed assets of the Company ranking pari passu with charges already created/ to be created by the Company and further guaranteed by Shri T.G.Venkatesh and purchase bill discounting facility sanctioned by Can Bank Factors Ltd are secured by 2nd pari passu charge on fixed assets of the company."

**Note 11(d): Trade payables**

Particulars	(₹ in lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
For Suppliers*	5,078.13	5,556.16
For Services*	2,119.33	1,864.90
<b>Total</b>	<b>7,197.46</b>	<b>7,421.06</b>

"\*(Refer Notes 36 for details of Dues to Micro, Small & Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"))

(Refer Note 32(b) for related party trade payables). "

**Ageing Schedule**

As at 31st March, 2022	Outstanding for following periods from due date of payment					Total
	< 1 year	1-2 years	2-3 years	> 3 years		
(i) MSME (includes Rs.613.48 lakhs medium enterprises)	2,542.35	-	-	-	2,542.35	
(ii) Others	4,643.65	-	-	-	4,643.65	
(iii) Disputed dues -MSME	-	-	-	11.45	11.45	
(iv) Disputed dues Others	-	-	-	-	-	
<b>Total</b>	<b>7,186.00</b>	<b>-</b>	<b>-</b>	<b>11.45</b>	<b>7,197.45</b>	

As at 31st March, 2021	Outstanding for following periods from due date of payment					Total
	< 1 year	1-2 years	2-3 years	> 3 years		
(i) MSME (includes Rs.1063.18 lakhs medium enterprises)	1,766.93	-	-	-	1,766.93	
(ii) Others	5,642.68	-	-	-	5,642.68	
(iii) Disputed dues -MSME	-	-	-	11.45	11.45	
(iv) Disputed dues Others	-	-	-	-	-	
<b>Total</b>	<b>7,409.61</b>	<b>-</b>	<b>-</b>	<b>11.45</b>	<b>7,421.06</b>	



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### Note 11(e): Other Current Financial Liabilities

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Current maturities of long term debt*</b>		
<b>Secured</b>		
Term Loans from IFCI	-	1,125.00
Term Loans from Banks	2,912.80	1,510.59
Interest accrued but not due on term loans	80.65	12.56
<b>UnSecured</b>		
Deferred Payment liabilities*		
(Sales Tax deferrment/loan sanctioned as per State Incentive Schemes)	239.40	190.57
Un-claimed Preference shares redemption warrants	134.51	135.48
<b>Others</b>		
Dues to Banks (Cheques issued in current accounts)	-	-
Employees Salaries, Bonus and P F/ ESI recoveries and contributions to Superannuation Fund	596.30	502.72
Payable for capital goods	622.26	559.52
Retention Moeny	142.65	139.92
Power charges and other expenses payable	6,114.70	2,074.81
Amount Payable for purchase of APGAS shares	-	4,015.65
<b>Total</b>	<b>10,843.27</b>	<b>10,266.32</b>

There were no current maturities of Finance Lease Obligations, Interest accrued and due on borrowings, unpaid Dividends, unpaid matured Debentures or Deposits and interest accrued thereon, Income received in advance and Application money received for allotment of securities and due for refund.

\*Represents repayments falling due in next twelve months.

#### Note 12: Deferred tax liability

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
The balance comprises temporary differences attributable to:		
<b>Deferred tax liabilities</b>		
Property, plant and equipment	13,853.36	12,241.28
<b>Less:</b>		
<b>Deferred tax assets</b>		
" Unabsorbed depreciation/losses and expenses allowable " U/s 43B of IT Act "	(1,548.30)	(1,545.45)
Borrowing costs measured at amortised cost	(1.76)	(4.71)
Provision for Expected Credit Loss (ECL)	(41.60)	(41.60)
Employee benefits - Gratuity	(103.70)	(13.08)
MAT Credit Entitlement	-	(2,273.05)
<b>Net deferred tax liability</b>	<b>12,158.00</b>	<b>8,363.39</b>

#### Reconciliation of net deferred tax liabilities

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance as at the beginning of the year	8,363.38	9,762.94
Recognised in statement of profit and loss during the period	3,885.24	959.12
" Recognised in other comprehensive income (OCI) during the" period "	(90.61)	12.42
Recognised in retained earnings	-	(2,371.09)
<b>Closing balance as at end of the year</b>	<b>12,158.01</b>	<b>8,363.39</b>


**Notes to financial statements for the year ended 31st March, 2022**
**Note 13: Government grants**

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred sales tax loan	5.20	23.54
Capital subsidy	2.15	4.59
<b>Closing balance</b>	<b>7.35</b>	<b>27.93</b>

**Note 14: Other current liabilities**

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Statutory Dues towards Excise duty, GST, VAT, TDS etc.	2,127.83	816.80
Advances from customers	2,418.49	3,606.13
<b>Total</b>	<b>4,546.32</b>	<b>4,422.93</b>

**Note 15: Provisions**

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Leave obligations	17.43	19.15
Provision for Gratuity	268.61	13.48
<b>Total</b>	<b>286.04</b>	<b>32.63</b>

**Note 16: Current tax liability (Net)**

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Current tax liability</b>		
Provision for income tax	3,586.10	900.00
<b>Current tax asset</b>		
Tax deducted at source	162.92	68.51
Advance tax	3,220.00	510.00
<b>Closing balance</b>	<b>203.18</b>	<b>321.49</b>

**Break up of financial liabilities carried at amortised cost.**

(₹ in lakhs)

Particulars	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
<b>Financial liabilities carried at amortised cost</b>				
- Borrowings	18,120.05	25,327.47	22,659.86	19,373.32
- Lease liabilities	1,671.92	1,847.28	352.08	387.20
- Trade and other payables	-	-	7,197.46	7,421.06
- Other financial liabilities	7,379.94	6,477.89	10,843.27	10,266.32
<b>Total financial liabilities</b>	<b>27,171.90</b>	<b>33,652.64</b>	<b>41,052.67</b>	<b>37,447.90</b>



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### Note 17: Revenue from operations

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Sale of products	1,51,339.89	99,825.44
Other operating revenue		
Process charges	60.83	151.39
Export Incentives	28.27	156.02
Freight/handling charges Receipts	1,082.81	708.11
Amortisation of sales tax loan	20.58	31.03
<b>Total</b>	<b>1,52,532.38</b>	<b>1,00,871.99</b>

#### Note 18: Other income

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Interest on Bank and other deposits and customers	449.33	557.37
Dividend Income	7.36	6.12
Net gain on Foreign exchange	-	364.41
Rent Receipts	13.38	12.42
Creditors written back	27.58	24.63
Profit on sale of Fixed Assets	154.83	-
Other Receipts	49.86	22.59
<b>Total</b>	<b>702.34</b>	<b>987.54</b>

#### Note 19(a): Cost of materials consumed

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Consumption of raw materials	39,093.90	33,390.52
Consumption of chemicals	2,687.04	1,765.54
Consumption of packing materials	1,335.34	996.93
<b>Total</b>	<b>43,116.28</b>	<b>36,152.99</b>

#### Note 19(b): Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Opening Stock</b>		
Finished Goods	1,021.88	1,410.62
Stock-in-process	650.54	459.51
Scrap & Disposables	56.96	17.78
<b>Total Opening Stock</b>	<b>1,729.38</b>	<b>1,887.91</b>
<b>Closing Stock</b>		
Finished goods	1,149.70	1,021.88
Stock-in-process	634.93	650.54
Scrap & Disposables	39.37	56.96
<b>Total Closing Stock</b>	<b>1,824.00</b>	<b>1,729.38</b>
<b>Total changes in inventories of work-in-progress, stock-in-trade and finished goods</b>	<b>(94.62)</b>	<b>158.53</b>


**Notes to financial statements for the year ended 31st March, 2022**
**Note 20: Employee Benefit Expense**

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2022
Salaries, Wages, Bonus and Allowances	4,701.56	4,069.47
Contribution to ESI & Provident Fund	145.55	119.91
Contribution to Gratuity & Superannuation Schemes	97.72	92.09
Staff Welfare expenses	651.59	535.32
<b>Total</b>	<b>5,596.42</b>	<b>4,816.79</b>

**Note 21: Finance cost**

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Interest expenses		
On Term loans	940.75	869.08
On Working capital loans/Cash credits/NBFC loan	356.64	361.69
On Purchase/ Sale bills discounting	1,101.40	1,215.93
Interest on Trade deposits	62.17	137.50
Interest on power bills	124.35	129.49
Interest /Surcharge payable to APSDCL	1,467.22	434.25
On Others	114.57	286.53
Other borrowing cost		
Working capital renewal and loan processing charges	203.53	254.53
Interest on lease liability	230.91	248.28
<b>Total</b>	<b>4,601.54</b>	<b>3,937.28</b>

**Note 22 (a) : Other Expenses**

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Consumption of stores and spares	5,675.57	2,397.54
Rent including Lease Rents	331.45	334.68
Insurance	313.24	269.51
Repairs & Maintenance		
a) Buildings	1,243.12	531.72
b) Plant & Machinery	4,364.21	2,668.23
c) Others	761.99	521.34
Rates & Taxes	8.47	7.94
Processing Charges	3.05	10.12
Travelling and conveyance	487.70	296.03
Printing and stationery	32.18	29.97
Postage, Telegrams and Telephones	32.59	29.15
Directors sitting fee	2.53	2.40
Directors Travelling	6.14	2.35
Remuneration to Auditors		
- Audit -Fee	20.00	16.00
- Cost Audit -Fee	0.05	0.70
- Fee for Certifications	1.50	1.50
Freight Inward & Material handling charges	1,184.14	1,136.52
Freight outward & Ocean freight	5,865.15	3,899.63
Commission on sales	192.73	316.82
Other Selling expenses	229.77	276.86
Advertisement	9.27	6.60
Fee and Expenses	128.16	77.92
Bank Charges	500.32	837.76
Service Charges	835.72	595.77
Legal Expenses	25.55	25.93
Research and Development /Lab Expenses	23.98	23.25
Water Charges	571.48	52.07
Provision for Bad Debts/Expected credit loss	23.00	-
Net Loss(Gain) on Exchange fluctuations	478.62	-
Other Expenses	481.63	361.67
Corporate Social Responsibility expenses	191.80	201.61
Donations	69.17	11.90
Amounts charge off	43.32	6.73
<b>Total</b>	<b>24,137.60</b>	<b>14,950.22</b>



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### Corporate Social Responsibility(CSR) expenses

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Amount required to be spent by the company during the year	141.05	140.19
Amount of opening unspent CSR	-	58.52
Amount of expenditure incurred	191.80	201.61
Shortfall / (Excess) at the end of the year	(50.75)	(2.90)
Nature of CSR activities:		
Provision of drinking water	43.29	37.86
Social projects	52.20	133.90
Environmental stability	18.50	25.16
Eradication of poverty	13.03	3.60
Sports education	5.53	0.96
Protection of national heritage	9.25	0.13
Empowerment of women & education	50.00	-
<b>Total</b>	<b>191.80</b>	<b>201.61</b>

#### Note 23: Tax Expenses

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>a) Income tax expense</b>		
Current tax on profits for the year (3591.94-19.14)	3,572.80	900.00
Adjustments for current tax of prior periods	5.47	55.68
<b>Total current tax expenses</b>	<b>3,578.27</b>	<b>955.68</b>
<b>Deferred tax</b>		
Decrease/(Increase) in deferred tax assets	0.11	(149.76)
(Decrease)/Increase in deferred tax liabilities	1,612.08	1,010.84
MAT credit availed during the year	2,273.05	98.04
<b>Total Deferred tax expense/(benefit)</b>	<b>3,885.24</b>	<b>959.12</b>
<b>Income tax expenses</b>	<b>7,463.51</b>	<b>1,914.80</b>

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

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Profit/(loss) before tax from continuing operations	20,935.36	4,886.55
Profit/(loss) before tax from a discontinued operation	(54.77)	(76.51)
<b>Total profit/(loss) before taxes</b>	<b>20,880.59</b>	<b>4,810.04</b>
<b>Increase/decrease in net profit before taxes on account of:</b>		
Exempt income		
Depreciation as per books	6,650.54	6,096.68
Depreciation as per income tax act, 1961	(11,227.45)	(8,989.43)
Expenses not allowed under income tax act, 1961	572.54	209.86
Expenses that are allowed on payment basis as per Sec.43B	-	439.42
Ind AS adjustments	101.86	150.63
Income considered separately / Donations	(248.88)	-
<b>Profit/(Loss) under income from business</b>	<b>16,729.20</b>	<b>2,717.21</b>
Applicable tax rate under normal Provisions	34.94%	34.94%
Tax under normal Provisions of Income tax act, 1961 (A)	5,845.85	949.50


**Notes to financial statements for the year ended 31st March, 2022**

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Profit before tax from continuing operations	20,935.36	4,886.55
Profit before tax from a discontinued operation	(54.77)	(76.51)
<b>Total profit before taxes</b>	<b>20,880.59</b>	<b>4,810.04</b>
Applicable tax rate under MAT Provisions	17.47%	17.47%
Tax payable under MAT Provisions as per applicable tax rate	3,648.26	840.41
<b>Increase/(decrease) in tax on account of</b>		
Exempt income	-	-
Ind AS adjustments	(86.45)	11.05
<b>Tax table under MAT Provisions (B)</b>	<b>3,561.81</b>	<b>851.46</b>
<b>Tax payable (higher of (A), (B) as computed above)</b>	<b>5,845.85</b>	<b>949.50</b>
<b>MAT Credit availed (A) - (B)</b>	<b>(2,273.05)</b>	<b>(98.04)</b>
Interest provided for	-	48.54
<b>Total tax payable normal Provisions of Income tax act, 1961</b>	<b>3,572.80</b>	<b>900.00</b>
Earlier Year tax liability	5.47	55.68
<b>Income tax expense recognised in statement of profit and loss</b>	<b>3,578.27</b>	<b>955.68</b>

**Note 24: Other Comprehensive Income (OCI)**

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Re-measurement gains/(losses) on defined benefit plan	(259.31)	35.53
Tax effect on gains/(losses) on defined benefit plan	90.61	(12.42)
Net gains/(losses) on FVTOCI equity securities	81.23	588.81
<b>Total</b>	<b>(87.47)</b>	<b>611.92</b>

**Note 25: Earning per share (EPS)**

(₹ in lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>EPS from continuing operations</b>		
Net Profit After Tax available for Equity Shareholders	13,452.71	2,971.75
Weighted Average Number of Equity Shares of Rs.10/- each	10,70,89,800	10,63,70,978
Basic Earning per Share	12.56	2.79
Diluted Earning per Share	12.56	2.79
<b>EPS from discontinuing operations</b>		
Net Profit After Tax available for Equity Shareholders	(35.63)	(76.51)
Weighted Average Number of Equity Shares of Rs.10/- each	10,70,89,800	10,63,70,978
Basic Earning per Share	(0.03)	(0.07)
Diluted Earning per Share	(0.03)	(0.07)
<b>EPS from continuing &amp; discontinuing operations</b>		
Net Profit After Tax available for Equity Shareholders	13,417.08	2,895.24
Weighted Average Number of Equity Shares of Rs.10/- each	10,70,89,800	10,63,70,978
Basic Earning per Share	12.53	2.72
Diluted Earning per Share	12.53	2.72





## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### Note 26 : Employee Benefits:

##### A) Defined Contribution Plans

The Company makes Provident Fund and Superannuation Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs.128.64 Lakhs (Previous year Rs.103.05 Lakhs) for Provident Fund contributions and Rs.28.75 Lakhs (Previous year Rs.41.32 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contribution payable to these plans by the Company is at rates specified in the rules of the schemes.

##### B) Defined Benefit Plan

The Company's obligation towards the Gratuity Fund is a defined benefit plan and is funded with Life Insurance Corporation of India. The following table sets out the funded status of the defined benefits scheme and the amount recognized in financial statement as per Actuarial Valuation:

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>1. Changes in present value of Obligations</b>		
Present value at the beginning of the year	698.66	680.81
Interest cost	48.91	47.66
Current Service Cost	67.64	44.45
Benefits paid	(49.23)	(40.32)
Actuarial (gain)/loss on obligations	261.07	(33.94)
Present value at the end of the year	1027.06	698.66
<b>2. Changes in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	685.18	612.30
Expected return on plan assets	47.98	42.86
Contributions	72.75	68.74
Benefits paid	(49.23)	(40.32)
Actuarial gain/(loss) on plan assets	1.76	1.59
Fair value of plan assets at the end of the year	758.44	685.18
<b>3. Amount recognized in the balance sheet</b>		
Present value of obligations as at the end of year	1027.06	698.66
Fair value of plan assets as at the end of year	758.44	685.18
Net asset/(liability) recognized in balance sheet	268.62	(13.48)
<b>4. Expenses recognized in Statement of Profit and Loss</b>		
Current service cost	67.64	44.45
Interest cost	48.91	47.66
Expected return on plan assets	(47.98)	(42.86)
Expenses recognized in statement of profit and loss.	68.57	49.24
<b>5. Amount recognized in Other Comprehensive Income</b>		
Actuarial (gain)/ loss on obligations	261.07	(33.94)
Actuarial (gain)/loss – plan assets	(1.76)	(1.59)
Actuarial (gain)/loss recognized in the year	259.31	(35.53)
<b>6. Assumptions</b>		
Discount rate	7.00%	7.00%
Salary escalation	7.00%	7.00%
Expected rate of return	7.00%	7.00%


**Notes to financial statements for the year ended 31st March, 2022**
**Sensitivity Analysis:**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumption would occur in isolation of one another as some of the assumptions may be correlated. The result of the sensitivity analysis are given below:

Period	As at 31st March, 2022	As at 31st March, 2021
Defined benefit obligation (base)	10,27,05,647 @ salary increase rate: 7% and discount rate: 7.00%	6,98,66,183 @ salary increase rate: 7% and discount rate: 7.00%
Liability with x% increase in discount rate	9,63,07,854; x=1.00% [Change (6)% ]	655.44; x=1.00%
Liability with x% decrease in discount rate	10,98,89,154; x=1.00% [Change 7% ]	747.12; x=1.00%
Liability with x% increase in salary growth rate	10,98,18,472; x=1.00% [Change 7% ]	746.64; x=1.00%
Liability with x% decrease in salary growth rate	9,62,51,719; x=1.00% [Change (6)% ]	655.06; x=1.00%
Liability with x% increase in withdrawal rate	10,26,67,406; x=1.00% [Change 0% ]	698.47; x=1.00%
Liability with x% decrease in withdrawal rate	10,27,44,534; x=1.00% [Change 0% ]	698.86; x=1.00%

**Note 27: Contingent Liabilities and Commitments:  
(to the extent not provided for)**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
a) Cheques / Bills Discounted with Banks	44.09	22.57
b) Unexpired Bank guarantees (net of margin money paid)	812.94	566.63
c) <b>Capital Commitments:</b> Estimated amount of Contracts remaining to be executed on Capital Account (Net of advances)	2504.78	5,693.67
d) Claims against the company not acknowledged as debts and not provided for being disputed and pending in appeals/ Assessments in respect of:		
i) The Fuel Surcharge Adjustment (FSA) charges for the year 2008-09 and 2009-10 payable to APCPDCL was contested by the Industrial units including the company before Hon'ble High Court of AP and obtained favourable order for 2008-09 and the matter was referred to Supreme Court and the same is pending.	1,523.80	1,523.80



Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
ii) Increase in water tariff by Andhra Pradesh Government through GO for using river water contested from February 2014 before Hon'ble High Court of AP. During the current year the disputed amount was paid under protest and provided as expenditure	Nil	128.70
iii) Claim made by one MSME supplier for additional compensation for supply / service rendered to the company. The Claim amount was reduced by the Arbitration award during the current year and the company contested Arbitration Award before Hon'ble High Court of Tamilnadu	51.96	146.90
iv) During the year 2020-21, APSPDCL raised power bills for June, 2020 and from October, 2020 to March, 2021 without giving credit fully for the power supplied and billed by APGPCL, resulting in again billing of the units supplied by APGPCL. The company contested the net demand of Rs.1095.02 lakhs raised by APSPDCL for the power supplied by APGPCL before the High Court of AP after considering the power bills amount paid Rs. 1750.99 lakhs to APGPCL.	2846.01	2846.01
v) Demand U/s 270A of Income Tax Act for the Assessment year 2017-18, contested in Appeal before CIT, Appeals (Faceless).	8.84	-
vi) Addition made for the Assessment Year 2016-17 under section 69A of Income Tax Act, 1961 the realisation of sales made to party of Rs.1,08,91,780/- as income from other sources, the company contested in Appeal before CIT (Appeals) and Penalty u/s 271(1)(c) also contested.	36.01	-

- e) The company has undertaken to fulfill the Export Obligation as specified in License (EPCG) and Advance License sanctioned for import of capital goods and raw materials availing customs duty exemption and the following are details of export obligation.

Sl.No.	Export Obligation in US \$	Specified Period to fulfill the export obligation
1	14,35,268.46	14.12.2026
2	4,55,254.47	26.03.2027
3	1,60,871.69	04.06.2027
4	6,91,751.02	17.03.2023
Total	27,43,145.64	

**Notes to financial statements for the year ended 31st March, 2022****Note 28: Leases:**

The Company records the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The changes in the carrying value of ROU assets for the year ended 31st March, 2022 are as follows:

(₹ in lakhs)

Particulars	Category of ROU Assets		Total
	Buildings	Equipments	
Balance as at 1st April, 2021	1,728.37	82.49	1,810.86
Additions	-	-	-
Deletions (purchased ROU assets on pre-closure)	-	41.00	41.00
Depreciation	206.22	41.49	247.71
Balance as at 31st March, 2022	1,522.15	-	1522.15

The break-up of current and non-current lease liabilities as at 31st March, 2022 is as follows

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non –Current lease liabilities	1,671.92	1,847.28
Current lease liabilities	352.08	387.20
<b>Total</b>	<b>2,024.00</b>	<b>2,234.48</b>

The movement in lease liabilities during the year ended 31st March, 2022 is as follows

(₹ in lakhs)

Particulars	Category of ROU Assets		Total
	Buildings	Equipments	
Balance as at 1st April, 2021	2,131.87	102.61	2,234.48
Additions	-	-	-
Deletions (pre-closure of Lease agreement)	-	54.19	54.19
Finance cost during the year	224.88	6.02	230.90
Payment of lease	332.76	54.44	387.20
Balance as at 31st March, 2022	2,023.99	-	2,023.99

The details of the contractual maturities of lease liabilities as at 31st March, 2022 on an undiscounted basis are as follows :

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Less than one year	352.08	387.20
(ii) One to five years	2013.17	1,983.78
(iii) More than five years	896.83	1,335.80

**Note 29: Borrowing costs**

Borrowing costs Capitalized during the year – Rs 419.58 Lakhs (Previous Year- Rs 32.45 Lakhs)



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### Note 30: Segment Reporting:

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Segment Revenue</b>		
a) Chemicals	1,47,039.23	91,510.34
b) Oils & Fats	8,663.01	13,805.20
<b>TOTAL</b>	<b>1,55,702.24</b>	<b>1,05,315.54</b>
Less: Inter segment revenue	(3,169.86)	(4,443.54)
<b>Net Sales/Income from Operations</b>	<b>1,52,532.38</b>	<b>1,00,872.00</b>
<b>Segment Results Profit/(Loss) Before tax and interest:</b>		
a) Chemicals	25,668.57	9,004.52
b) Oils & Fats	(581.06)	(738.00)
<b>TOTAL</b>	<b>25,087.51</b>	<b>8,266.52</b>
Less: I) a) Interest Expenses	4,601.54	3,937.28
b) Interest Income	(449.33)	(557.37)
II) Loss from discontinuing operations of power Plant	(54.77)	(76.51)
<b>Total Profit before Tax</b>	<b>20,880.53</b>	<b>4,810.10</b>
<b>Segment Assets</b>		
a) Chemicals	1,45,287.15	1,25,478.46
b) Oils & Fats	6,243.06	9,946.35
c) Others	7,374.73	8,950.02
d) Power Plant (Discontinued operations)	871.31	915.17
<b>TOTAL</b>	<b>1,59,776.25</b>	<b>1,45,290.00</b>
<b>Segment Liabilities</b>		
a) Chemicals	77,348.62	75,527.37
b) Oils & Fats	3,118.57	5,589.65
c) Others	4,958.28	3,151.98
d) Power Plant (Discontinued operations)	-	-
<b>TOTAL</b>	<b>85,425.47</b>	<b>84,269.00</b>
Depreciation and amortisation expense		
a) Chemicals	6,404.84	5,811.83
b) Oils & Fats	457.52	468.96
c) Power Plant (Discontinued Operations)	35.89	37.24
<b>TOTAL</b>	<b>6,898.25</b>	<b>6,318.03</b>
<b>Additional information by geographic</b>		
<b>Revenue by Geographical Market</b>		
India	1,49,364.98	94,782.99
Outside India	3,167.40	6,089.01
<b>TOTAL</b>	<b>1,52,532.38</b>	<b>1,00,872.00</b>

#### Revenue from major customers

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

**Notes to financial statements for the year ended 31st March, 2022****Note 31: Fair value measurements****a) Financial instruments by category**

The carrying value of financial instruments by categories as of March 31, 2022 is as follows :

(₹ in lakhs)

Particulars	FVTPL	FVTOCI	Amortised cost	Total
<b>Financial assets</b>				
Investments				
Equity instruments	-	8,940.67	-	8,940.67
Government securities	-	-	1.60	1.60
Trade receivables	-	-	23,222.08	23,222.08
Cash and cash equivalents	-	-	1,485.26	1,485.26
Bank balances other than Cash and cash equivalents	-	-	5,492.43	5,492.43
Other financial assets	-	-	10,822.53	10,822.53
<b>Total Financial assets</b>	<b>-</b>	<b>8,940.67</b>	<b>41,023.90</b>	<b>49,964.56</b>
Financial liabilities				
Borrowings	-	-	40,779.91	40,779.91
Trade and other payables	-	-	7,197.46	7,197.46
Other financial liabilities	-	-	18,223.21	18,223.21
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>66,200.58</b>	<b>66,200.58</b>

The carrying value of financial instruments by categories as of March 31, 2021 is as follows :

Particulars	FVTPL	FVTOCI	Amortised cost	Total
<b>Financial as sets</b>				
Investments				
Equity instruments	-	8,859.44	-	8,859.44
Government securities	-	-	1.90	1.90
Trade receivables	-	-	9,918.63	9,918.63
Cash and cash equivalents	-	-	3,246.95	3,246.95
Bank balances other than Cash and cash equivalents	-	-	7,394.48	7,394.48
Other financial assets	-	-	10,403.12	10,403.12
<b>Total Financial assets</b>	<b>-</b>	<b>8,859.44</b>	<b>30,965.08</b>	<b>39,824.52</b>
Financial liabilities				
Borrowings	-	-	44,700.79	44,700.79
Trade and other payables	-	-	7,421.06	7,421.06
Other financial liabilities	-	-	16,744.21	16,744.21
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>68,866.06</b>	<b>68,866.06</b>



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March, 2022: (₹ in lakhs)

Particulars	Fair value measurement using			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial instruments at FVTOCI</b>				
<b>Investments in Quoted equity instruments</b>				
equity shares of Sree Rayalaseema Hi-Strength Hypo Ltd	1,159.38	-	-	1,159.38
equity shares of Indian Bank	1.29	-	-	1.29
<b>Investments in Un-Quoted equity instruments</b>				
equity shares of Andhra Pradesh Gas Power Corporation Ltd*	-	-	7,780.00	7,780.00
<b>Total Financial assets</b>	<b>1,160.67</b>	<b>-</b>	<b>7,780.00</b>	<b>8,940.67</b>

\*the percentage of shareholding of the Company in Andhra Pradesh Gas Power Corporation Ltd., is low and hence, it has not been provided with future projections including projected profit and loss account. Hence, the valuation exercise carried out by the Company with the help of available historical annual reports and other information obtained from APGCL. During the current year bidding prices are taken as fair value measurement.

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2021: (₹ in lakhs)

Particulars	Fair value measurement using			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial instruments at FVTOCI</b>				
<b>Investments in Quoted equity instruments</b>				
equity shares of Sree Rayalaseema Hi-Strength Hypo Ltd	578.46	-	-	578.46
equity shares of Indian Bank	0.98	-	-	0.98
<b>Investments in Un-Quoted equity instruments</b>				
equity shares of Andhra Pradesh Gas Power Corporation Ltd*	-	-	8,280.00	8,280.00
<b>Total Financial assets</b>	<b>579.44</b>	<b>-</b>	<b>8,280.00</b>	<b>8,859.44</b>

\*the percentage of shareholding of the Company in Andhra Pradesh Gas Power Corporation Ltd., is low and hence, it has not been provided with future projections including projected profit and loss account. Hence, the valuation exercise carried out by the Company with the help of available historical annual reports and other information in the public domain. During the current year as purchases were made through bidding process and the last purchase prices is taken as fair value measurement.

Reconciliation of Level 3 fair value measurements

Investment in unquoted shares irrevocably designated as FVTOCI (₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	8,280.00	590.19
Purchases	-	7,503.25
Total gains/losses in other comprehensive income	(500.00)	186.56
<b>Closing balance</b>	<b>7,780.00</b>	<b>8,280.00</b>


**Notes to financial statements for the year ended 31st March, 2022**

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 : The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There are no transfers between levels 1 and 2 during the year.

**Note 32 : Related Party Disclosures:**

a) Names of related parties and description of relationship:

Description of relationship	Name of related party
Enterprises where significant influence of key managerial personnel or their relatives exists	Sree Rayalaseema Hi-Strength Hypo Limited TGV Projects and Investments Private Limited Brilliant Bio Pharma Private Limited Sree Maruthi Marine Industries Limited Sree Maruthi Agro Tech Limited Gowri Gopal Hospitals Private Limited Sree Rayalaseema Galaxy Projects Private Limited Nector Laboratories Private Limited S.K.Salts Private Limited M.V. Salts & Chemicals Private Limited Brilliant Industries Private Limited JSM International Limited Sree Rayalaseema Dutch Kassenbouw Private Limited Roopa Industries Limited Priyadarshini Salt Works Private Limited TGV Securities Private Limited TGV Industries Private Limited Gowri Gopal Intensive Care Unit LLP
Key Managerial Personnel	Shri. C. Srinivasa Babu, (E.D Tech.,) Shri. K.Karunakar Rao – C.E.O. & E.D. (F&C) Shri. N. Jeswanth Reddy – E.D. (Tech.,) Shri Gopal Krishan – E.D. (Tech.,) Shri. C.Rajesh Khanna – C.FO Shri. V.Radha Krishna Murthy – Company Secretary
Directors	Shri C. Sreenivasa Babu, Executive Director Shri. K.Karunakar Rao, Executive Director Shri. N. Jesvanth Reddy, Executive Director Shri Gopal Krishan, Executive Director Shri. P N Vedanarayanan, Independent Director Ms. Sridevi Madati, Additional Independent Director Ms. Hima Bindu Sagala, Additional Independent Director
Promoters / Close members of Key managerial personnels family	Sri T.G. Venkatesh Smt. T.G. Rajya Lakshmi Sri T.G. Bharath Smt Jyothsna S Mysore Smt Boda Mourya





## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### b) Summary of transactions with the above related parties is given below :

The material transactions with above related parties are carried at arm's length price and in the ordinary course of business:

(₹ in lakhs)

Name of the party	Nature of Transaction	For the year ended 31.03.22	For the year ended 31.03.21	Balance Outstanding as on 31.03.22	Balance Outstanding as on 31.03.21
<b>Enterprises where significant influence of key managerial personnel or their relatives exists:</b>					
Sree Rayalaseema Hi- Strength Hypo Limited	Sales	14,358.98	12,557.81	390.30 (Cr)	2181.20 (Cr)
	Purchases	4827.58	9,510.80	-	1540.18 (Cr)
	Services availed	78.66	568.84	-	-
	Services rendered	39.09	-	-	-
	Rents Received	7.63	7.47	-	-
Gowri Gopal Hospitals Private Limited	Sales	-	0.27	-	-
	Purchases	1.87	14.95	-	-
	Services availed	69.75	60.68	4.24 (Cr)	19.79 (Cr)
Roopa Industries Limited	Sales	121.11	10.04	13.35 (Dr)	8.58 (Dr)
Sree Rayalaseema Galaxy Projects Private Limited	Sales	16.32	8.20	1.61 (Dr)	-
	Purchases	80.81	71.79	-	6.23 (Cr)
Brilliant Industries Private Limited	Sales	593.50	-	-	-
Brilliant Bio Pharma Private Limited	Sales	302.87	-	19.64 (Dr)	-
Nectar Laboratories Private Limited	Sales	892.94	-	-	-
	Purchases	150.36	-	-	-
Sree Maruthi Marine Industries Limited	Purchases	148.36	169.26	57.19 (Cr)	231.19 (Cr)
SreeMaruthiAgro Tech Private Limited	Purchases	28.30	32.03	10.33 (Cr)	7.97 (Dr)
TGV Industries Private Ltd.,	Purchases	199.64	0.52	13.87 (Cr)	0.15 (Cr)
Priyadarshini Salt Works Private Limited	Purchases	10.83	-	-	-
Sri T.G. Venkatesh	Advance for land purchase	-	1214.40	-	1214.40 (Dr)
	Lease Rentals Paid	63.14	63.14	4.82 (Cr)	4.01 (Cr)
	Purchase of Land	1214.40	-	-	-
	Rent advance paid	-	-	107.00 (Dr)	107.00 (Dr)
TGV Projects and Investments Private Limited	Lease Rentals Paid	329.52	313.83	0.88 (Cr)	-
	Rent deposit	-	-	100.09 (Dr)	100.09 (Dr)
The Mourya Inn	Services availed	200.77	98.87	27.12 (Cr)	10.43 (Cr)
Gowri Gopal Intensive Care Unit	Services availed	26.52	12.12	-	-
Brilliant Industries Private Limited	Share Warrants	-	-	-	-
	Application Money Received	-	1,486.27	-	-
Brilliant Industries Private Limited	Equity Shares allotted including premium	-	1,981.70	-	-
Sree Rayalaseema Hi- Strength Hypo Limited	Investment in Equity Dividend received	7.36	6.12	24.48 (Dr)	24.48 (Dr)
Shri K.Karunakar Rao ED (F&C)	Remuneration	25.88	25.22	-	-
Shri. N.Jesvanth Reddy, ED (Tech)	Remuneration	25.25	24.80	-	-
Shri. G.K.Agarwal, ED (Tech)	Remuneration	13.08	26.16	-	-
Shri C. Srinivasa Babu, ED (Tech)	Remuneration	25.52	-	-	-
Shri. V. Radha Krishna Murthy, Company Secretary	Remuneration	10.21	9.78	-	-
Shri. C.Rajesh Khanna, CFO	Remuneration	16.73	16.51	-	-
	Loan	-	-	0.27 (Dr)	0.67 (Dr)
<b>Relatives of Key Managerial Personnel</b>					
Smt. T.G. Rajya Lakshmi	Rent Paid	2.23	2.05	-	-
Smt. Uma Agarwal	Services	-	0.42	-	-

Note: Cr indicates Credit balance & Dr. indicates Debit balance

**Notes to financial statements for the year ended 31st March, 2022****Note 33: Capital Management & Risk management****Capital management**

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings. The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the assets, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

**Gearing ratio**

The Company monitors its capital using gearing ratio, The Company's strategy is to maintain gearing ratio below 1, which is total debt divided to total equity as given below:

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Total Debt*</b>	<b>44,012.76</b>	<b>47,539.51</b>
Equity share capital	10,713.26	10,713.26
Other equity	63,637.52	50,307.90
<b>Total equity</b>	<b>74,350.78</b>	<b>61,021.16</b>
<b>Total debt to Total equity ratio (times)</b>	<b>0.59</b>	<b>0.78</b>

\*Total Debt is defined as secured long-term including current maturities of borrowings excluding cumulative redeemable preference shares.

**Financial risk management and objectives and policies**

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements.

A Special Team with Senior Executives having exposure in various fields has been formed to assist Executive Director and CEO in (a) Overseeing and approving the Company's enterprise wide risk management framework, and (b) Overseeing that all the risks that the organisation faces such as market risk (including currency risk, interest rate risk and other price risk), Credit risk and liquidity risk have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. The Executive Director and CEO, monitors and reports on the principal risks and uncertainties that can impact the Company and its ability to achieve strategic objectives. The Company's management systems, organisational structures, processes, standards, code of conduct and behaviors together form the Management and business of the Company.

**A. Market risk**

The Company is exposed to market risk through changes in foreign currency exchange rates and changes in interest rates. Financial assets/liabilities affected by this risk are borrowings, letter of credits and trade receivables.

The Company's investments in listed and non-listed equity securities are susceptible to price risk arising from uncertainties about future value of the investment securities. The Company's non-current investment in equity shares are strategic investments and hence are considered as Fair Value through Other Comprehensive Income. The company's Board of Directors reviews and approves all equity investment decisions.



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### Foreign Currency risk management

The Company operates internationally and is exposed to foreign currency risk arising from foreign currency transactions, primarily with respect to the US\$, EUR, JPY. Foreign exchange risk arises from import as well as exports of goods. The risk is measured through a forecast of highly probable foreign currency cash flows.

The special team as mentioned above analysis the options for hedging. Based on the analysis the management takes decision regarding hedging of foreign currency exposures. Currently, the Company has not hedged any of the foreign currency transactions in the view of the natural hedging. The natural hedging is sufficient to manage the current foreign currency risk management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities are restated at the end of each quarter. The same at the end of the reporting period are as follows :

(FC in lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Currency	Amount in FC	Currency	Amount in FC
Receivables for export	USD	0.61	USD	1.98
Payables for imports				
LC's issued to creditors/direct supplies	USD	142.29	USD	168.55
LC's issued to creditors	EURO	2.47	EURO	12.35
LC's issued to creditors	JPY	325.23	JPY	3,678.92
LC's issued to creditors	CHF	16.01	CHF	35.17

#### Foreign Currency Sensitivity Analysis

The Company is mainly exposed to US Dollar, EUR, JPY, CHF.

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, JPY, CHF exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
	Impact on profit before tax	
USD Sensitivity		
Impact due to increase by 5%	(534.52)	(611.57)
Impact due to decrease by 5%	534.52	611.57
EURO Sensitivity		
Impact due to increase by 5%	(10.44)	(52.97)
Impact due to decrease by 5%	10.44	52.97
JPY Sensitivity		
Impact due to increase by 5%	-	(121.61)
Impact due to decrease by 5%	-	121.61
CHF Sensitivity		
Impact due to increase by 5%	(65.95)	(136.39)
Impact due to decrease by 5%	65.95	136.39

**Notes to financial statements for the year ended 31st March, 2022****Interest Rate Risk Management**

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating base interest rates. Based on the interest rate sensitivity the Company decides on the management of interest rate risk.

**Interest Rate Sensitivity:**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating base rate borrowings, as follows:

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Increase/decrease in base points</b>	<b>Impact on profit before tax</b>	
50 base points higher	35.61	(71.70)
50 base points lower	(35.61)	71.70

**B. Credit risk**

"Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is operating through network of dealers based at different locations. Regular monitoring of the receivables is undertaken by the marketing department and in case the limits are exceeded, steps will be taken by the marketing departments and after discussing with the management the Company will decide whether to stop or not further supplies to the concerned dealer till the amount outstanding is recovered. For the export made by the Company, the sales are backed by ECGC Coverage or advance receipts. The internal risk management committee of the Company meets regularly to discuss the dealers and credit risks, measures taken to address them and the status and level of risk after the measures taken." "Export sales are fully secured through ECGC Coverage or against advance receipts. (refer Note No.8(a) for Trade Receivables outstanding)."

**C. Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

(i) Financing arrangements

The table below provides details regarding the remaining contractual maturities of financial liabilities as at reporting date:

(₹ in lakhs)

Particulars	On demand	< 1 year	1 - 5 years	5 + years	Total
<b>As at 31st March, 2022</b>					
Bank borrowings	-	-	18,034.59	-	18,034.59
Deferred sales tax loan	-	-	85.46	-	85.46
Total non-current financial liabilities	-	-	18,120.05	-	18,120.05
Current borrowings	22,659.86	-	-	-	22,659.86
Trade payables	7,197.46	-	-	-	7,197.46
Other current financial liabilities	10,843.27	-	-	-	10,843.27
Total current financial liabilities	40,700.59	-	-	-	40,700.59
<b>Total</b>	<b>40,700.59</b>	<b>-</b>	<b>18,120.05</b>	<b>-</b>	<b>58,820.64</b>
<b>As at 31st March, 2021</b>					
Bank borrowings	-	-	25,034.80	-	25,034.80
Deferred sales tax loan	-	-	292.67	-	292.67
Trade Deposits from Dealers/customers	-	-	560.00	-	560.00
Total non-current financial liabilities	-	-	25,887.47	-	25,887.47
Current borrowings	19,373.32	-	-	-	19,373.32
Trade payables	7,421.06	-	-	-	7,421.06
Other current financial liabilities	10,266.32	-	-	-	10,266.32
Total current financial liabilities	37,060.70	-	-	-	37,060.70
<b>Total</b>	<b>37,060.70</b>	<b>-</b>	<b>25,887.47</b>	<b>-</b>	<b>62,948.17</b>

The following table shows summary of the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements:

Exposure arising from	Risk	Measurement	Management
Foreign currency transactions	Market risk - foreign exchange	Cash flow forecasting	Natural hedging
Borrowings with floating interest rates	Market risk - interest rate	Sensitivity analysis	Credit ratings
Cash and cash equivalents, trade receivables, financial instruments, financial assets measured at amortised cost.	Credit risk	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Borrowings and Financial liabilities	Liquidity risk	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities


**Notes to financial statements for the year ended 31st March, 2022**
**Note 34: Discontinued Operations**
**Description:**

The Power Purchase Agreement with Karnataka Electricity Board (Power Distribution Companies) pertaining to Bellary power plant was expired on 31st August, 2012 and the agreement was not renewed and generation of power was stopped from September, 2012. The company has discontinued the operations of this segment from the year 2013-14 and exploring the possibilities for disposal of its Plant.

The results of discontinued operations are presented below

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(Profit) on sale of Assets	(36.55)	-
Expenses	55.43	39.27
Depreciation	35.89	37.24
<b>Loss from discontinued operations for the year before tax</b>	<b>54.77</b>	<b>76.51</b>
Tax (expense)/income	-	-
<b>Loss from discontinued operations for the year after tax</b>	<b>54.77</b>	<b>76.51</b>
<b>Assets</b>		
Fixed Assets	861.41	900.48
Current Assets	9.91	14.69
<b>Total Assets</b>	<b>871.32</b>	<b>915.17</b>
<b>Liabilities</b>	-	-
<b>Net Assets</b>	<b>871.32</b>	<b>915.17</b>
<b>Cash flow is as follows</b>		
Operating activities		
Sale of fixed assets	39.73	-
Expenses	(55.43)	(39.27)
Change in working capital	4.78	1.78
<b>Net cash (outflow)</b>	<b>(10.92)</b>	<b>(37.49)</b>

**Note : 35. Income and expenditure in foreign currency and Foreign Currency Exposures**
**Earnings in Foreign Currency**

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
i) FOB value of exports	2,821.80	5,825.82
ii) Others	29.24	4.05

**Expenditure in Foreign Currency**

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
i) Travelling	5.30	-
ii) Fees and charges	2.28	2.28
iii) Commission paid	74.73	65.36
iv) Interest & Bank charges	250.13	225.94
v) Other expenses	-	3.69



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### Foreign Currency Exposures

(₹ in lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Recognised amount (Rs.)	Amount FC (in lakhs)	Recognised amount (Rs.)	Amount FC (in lakhs)
Receivables for export	47.36	\$0.61	144.38	\$1.98
Payables for imports towards LC's: / direct supplies	10786.36	\$ 142.29	12,322.95	\$ 168.55
	299.26	EUR 3.53	1,059.32	EUR 12.35
	1332.36	CHF 16.21	2,727.80	CHF 35.17
	206.46	JYP 325.23	2,432.13	JYP 3,678.92

#### Value of Imports (Calculated on C.I.F basis)

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
i) Raw Materials	8,372.88	8,832.39
ii) Coal	729.40	4,341.31
iii) Chemicals & Spares & Stores	1,229.62	1,082.15
iv) Capital Goods / Services	1,061.03	4,445.42

#### Note 36:

Under the Micro, Small and Medium Enterprises Development Act, 2006 and in accordance with the notification issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises as defined in the said Act. The company is in the process of compiling the relevant information from its suppliers about their coverage under the said Act and hence required disclosures made to the extent available.

#### The following are outstanding balances as at 31.03.2022:

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
i) principal amount remaining unpaid to any supplier as at the end of the accounting year (all are within agreed period and not due for payment)	2553.80	1,778.38
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act;	NIL	NIL
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
v) the amount of 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 Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL


**Notes to financial statements for the year ended 31st March, 2022**
**Note 37: Contingent assets:**

Legal cases filed by the company for recovery of dues/advances and pending in Courts for disposal:

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Against Debtors, Contractors and Suppliers	1165.70	1205.24

**Note 38: Revenue from contracts with Customers:**

The Company is producer of Chloro-Alkali & Chloromethane products and also manufactures Castor Derivatives and Fatty Acids.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.

The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

(₹ in lakhs)

Sl. No.	Revenue by offerings	As at 31st March, 2022	As at 31st March, 2021
<b>A</b>	<b>MANUFACTURED GOODS</b>		
1	Caustic Soda Lye & Flakes	91,016.10	45,062.56
2	Liquid Chlorine	6,279.98	7,894.60
3	Hydrochloric Acid	3,255.49	3,516.29
4	Hydrogen Gas	1,122.64	1,116.87
5	Bleach Liquor	1,962.13	1,506.43
6	Caustic Potash Lye & Flakes	26,429.55	22,482.54
7	Potassium Carbonate	1,529.02	1,922.12
8	Hydrogenated Castor Oil	216.45	392.04
9	12 Hydroxy Stearic Acid	1,267.20	1,697.52
10	Refined Glycerin	322.23	443.09
11	Stearic Acid	6,181.77	6,690.31
12	Soap Noodles.	1,165.72	5,306.72
13	Toilet Soaps	58.09	142.35
14	Methylene Chloride	23,847.88	12,024.53
15	Chloroform	7,543.04	3,465.88
16	Carbon Tetra Chloride	3,038.61	1,451.17
17	Others less than 1% of Total Turnover (Balancing figure)	2,283.22	1,706.79
	<b>TOTAL</b>	<b>1,77,519.12</b>	<b>116,821.81</b>
	<b>Less: Indirect taxes</b>	<b>26,179.23</b>	<b>16,996.37</b>
	<b>Net Revenue from products</b>	<b>1,51,339.89</b>	<b>99,825.44</b>

The Company represents revenue net of indirect taxes in its Statement of Profit and Loss.





## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### A. Disaggregate Revenue Information

The disaggregated revenue from contracts with the customers for the year ended 31st March, 2022 by offerings and contract type.

(₹ in lakhs)

Revenue by contract type	As at 31st March, 2022	As at 31st March, 2021
Fixed timeframe	1,51,339.89	99,825.44
Time and material	1,192.49	1,046.55

#### B. Remaining Performance Obligations

The remaining performance obligation disclosure provides the aggregate amount of transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of entity's performance completed to date.

The aggregate amount of transaction price allocated to remaining performance obligations as per the requirements of and AS 115 is Rs.15173.49 Lakhs (Previous year Rs. 6716.69 Lakhs)out of which, approximately 100% (Previous year 99.90%) is expected to be recognized as revenues within one year.

#### Note 39: Cost of Raw Materials Consumed:

(₹ in lakhs)

Sl. No.	Description of Material	As at 31st March, 2022	As at 31st March, 2021
1	SALT	12517.93	7,706.49
2	CASTOR OIL	1187.25	2,029.54
3	ACID OILS & OTHER OILS	5440.82	8,371.77
4	POTASSIUM CHLORIDE	12140.22	11,409.61
5	RAW MATERIALS-SOAPS	4.14	9.62
6	HYDROCHLORIC ACID NORMAL GRADE	64.84	123.31
7	METHANOL	7738.70	3,740.18
	<b>TOTAL</b>	<b>39093.90</b>	<b>33,390.52</b>


**Notes to financial statements for the year ended 31st March, 2022**
**Note 40: Raw material consumed**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022			As at 31 <sup>st</sup> March, 2021		
	Qty MT/KL	Rs. in lakhs	%	Qty MT/KL	Rs. in lakhs	%
i) Salt						
- Imported	-	-	-	-	-	-
- Indigenous	339422	12517.93	100	2,91,445	7,706.49	100
ii) Potassium chloride						
- Imported	38725	10961.79	90.29	46,408	11,409.61	100
- Indigenous	3270	1178.43	9.71	-	-	-
iii) Castor Oil						
- Imported	-	-	-	-	-	-
- Indigenous	974	1187.25	100	2,374	2,029.54	100
iv) Lauric Acid						
- Imported	2	1.17	100	62	40.36	67.11
- Indigenous	-	-	-	25	19.78	32.89
v) Palm fatty acid distillate						
- Imported	-	-	-	-	-	-
- Indigenous	5807	5122.59	100	13,262	7,272.69	100
vi) Palm Kernel oil/ Distilled fatty acid						
- Imported	41	25.23	34.13	285	136.73	16.66
- Indigenous	67	48.69	65.87	1,053	683.88	83.34
vii) Crude Glycerine						
- Imported	-	-	-	96	21.26	11.49
- Indigenous	141	168.78	100	294	163.82	88.51
viii) Methanol						
- Imported	-	-	-	-	-	-
- Indigenous	20682	7738.7	100	14,030	3,740.18	100
ix) Other Raw Materials						
- Imported	-	-	-	-	-	-
- Indigenous	-	143.34	100	-	166.18	100
<b>Total:</b>						
- Imported		10988.19	28.10		15,348.14	45.97
- Indigenous		28105.71	71.90		18,042.38	54.03
		<b>39093.90</b>	<b>100</b>		<b>33,390.52</b>	<b>100</b>



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

#### Note 41: Ratio Analysis

Particulars	Numerator	Denominator	For the year ended 31st March 2022	For the year ended 31st March 2021	Variance	Reasons for variance
Current ratio	Current assets	Current liabilities	1.14	1.03	10.85%	
Debt equity ratio	Total debt	Shareholders equity	0.59	0.78	-24.02%	Repayment of loans during the year resulted in decrease of ratio.
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	3.32	1.88	75.98%	Higher profits and repayment of loans during the year resulted in increase of ratio.
Return on equity	Net Profits after taxes	Average Shareholder's Equity	19.82%	5.05%	14.77%	
Inventory Turnover Ratio	Net Sales	Average Inventory	13.44	8.21	63.72%	As there is increase in sales due to higher price realisation the ratio has been increased.
Trade receivables turnover ratio	Net Sales	Avg. Accounts Receivable	9.13	10.98	-16.80%	
Trade payables turnover ratio	Net Purchases	Average Trade Payables	8.09	8.71	-7.14%	
Net capital turnover ratio	Net Sales	Working Capital	23.39	82.26	-71.56%	Workings capital has increased mainly on account of increase in trade receivables. Also, there is increase in sales and accordingly the ratio has decreased.
Net profit ratio	Net Profit	Net Sales	8.87%	2.90%	5.97%	
Return on capital employed	Earning before interest and taxes	Capital Employed	19.54%	7.48%	12.06%	
Return on Investment	Profit for the year	Average total equity	4.96%	1.26%	3.69%	

**Notes to financial statements for the year ended 31st March, 2022****Note:**

1. Total Debt = Long term Borrowings (including current maturities of Long term Borrowings), Sales tax deferrment loan (current and non-current), short term borrowings and Interest accrued on Debts
2. Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest+ other adjustments like loss on sale of Fixed assets etc
3. Debt service = Interest & Lease Payments + Principal Repayments
4. Avg. Shareholder's Equity = Average of Opening Total Equity and Closing Total Equity
5. Avg. Inventory = Average of Opening Inventory and Closing Inventory
6. Avg. Trade Receivable = Average of Opening Trade Receivables and Closing Trade Receivables
7. Avg. Trade Payables = Average of Opening Trade Payables and Closing Trade Payables
8. Working capital shall be calculated as current assets minus current liabilities
9. Capital Employed = Tangible Net Worth (excluding revaluation reserve) + Total Debt + Deferred Tax Liability
10. Average Total Assets = Average of Opening Total Assets and Closing Total Assets
11. Average Total equity = Average of Opening Equity Share capital + Other equity and Closing Equity share capital + Other equity.

**Note 42: Value of Chemicals, Packing and Stores consumed (other than used for repairs)**

(₹ in lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	Rs in lakhs	%	Rs in lakhs	%
a) Imported	1,749.31	18.04	302.97	5.87
b) Indigenous	7948.64	81.96	4,857.05	94.13
<b>Total</b>	<b>9,697.95</b>	<b>100</b>	<b>5,160.02</b>	<b>100</b>

**Note 43: Additional Regulatory Information:**

- (1) The Company has not granted any loans or Advances in the nature of Loans to Promoters, Directors, KMPs and other related parties
- (2) The Company is not holding any Benami property and no proceeding has been initiated or pending against the company.
- (3) The Company has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey or any relevant provisions of Income Tax Act, 1961)
- (4) (A) The Company has not advanced or loaned or invested any funds in any other person(s) or entity(ies), including foreign entities (intermediaries).  
(B) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (funding party).
- (5) The Company is not declared as willful defaulter by any Bank or Financial Institutions or RBI or other lenders.
- (6) The Company has borrowings from Banks or Financial Institutions on the basis of security of Current Assets. Quarterly returns or Statement of Current Assets filed by the company with Banks or Financial Institutions are in agreement with the Books of Accounts with some insignificant variances.



## TGV SRAAC LIMITED

### Notes to financial statements for the year ended 31st March, 2022

- (7) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.
- (8) The company has no transactions and no relationship with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- (9) The company has no subsidiaries
- (10) There are no Schemes of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (11) The Company has not invested or traded in Crypto currency or Virtual Currency during the financial year 2021-22.

44. Figures have been rounded off to the nearest decimal of lakhs as required under Schedule III.

45. Previous year's figures have been regrouped / reclassified wherever necessary to correspond With the current year's classification / disclosure.

As per our attached report of even date  
for **K S Rao & Co.**,

Chartered Accountants  
Firm's Regn. No. 003109S

Sd/-  
**(CA P. GOVARDHANA REDDY)**  
Partner  
Membership No. 029193  
UDIN : 22029193AKLMYS9502

Place : Hyderabad  
Date : 19<sup>th</sup> May, 2022

For and on behalf of the Board

Sd/-  
**CA K. KARUNAKAR RAO**  
Executive Director (Fin. & Comm.) & CEO

Sd/-  
**N. JESVANTH REDDY**  
Executive Director (Technical)

Sd/-  
**CS V. RADHAKRISHNA MURTHY**  
Company Secretary

Sd/-  
**CA C. RAJESH KHANNA**  
Vice President (F&A) & CFO



**TGV**  
GROUP

## **TGV SRAAC LIMITED**

(CIN : L24110AP1981PLC003077)

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