SREE RAYALASEEMA
HI-STRENGTH HYPO LTD.
CIN:L24110AP2005PLC045726

07.09.2021

To	To
BSE Limited 25th Floor, Phiroze Jeejeebhoy Towers Dalal Street MUMBAI - 400001 Scrip Code : 532842	The National Stock Exchange Of India Ltd Exchange Plaza Bandra Kurla Complex, Bandra (East) MUMBAI – 400051 Scrip Code : SRHHYPOLTD

Dear Sir

Sub: Submission of 16th Annual Report along with notice of Annual General Meeting

Ref: Regulation 34 (1) of SEBI (LODR) Regulations, 2015

Pursuant to regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit notice of 16th Annual General Meeting scheduled to be held on Thursday, 30th September, 2021 at 1.00 P.M.(IST) through Video Conference (VC) / Other Audio Visual Means (OAVM) along with Annual report of the Company for financial year 2020-21.

Kindly take the same in your records.

Thanking you

Yours faithfully

For Sree Rayalaseema Hi-Strength Hypo Limited

V. Surekha

V Surekha

Company Secretary

Corp. Off. : 216, K.J.S. Complex, Bhagya Nagar, Kurnool - 518 004 A.P. India Tel : +91-8518-222097 (Direct), 289600 Ext.: 332
Fax : +91-8518-226656, 223066 Grams : HI-STRENGTH Web : www.srhhl.com Email: aquafit@gmail.com, aquafit@srhhl.com

Sree Rayalaseema Hi-Strength Hypo Limited

(CIN : L24110AP2005PLC045726)

16th

Annual Report

2020-21

SREE RAYALASEEM HI-STRENGTH HYPO LIMITED
(CIN : L24110AP2005PLC045726)

BOARD OF DIRECTORS
Sri. T.G. Bharath
Chairman & Managing Director
Lt.D.S. Sai Leela (Up to 25.11.2020)
Independent Woman Director
Sri Krishnamoorthy Chandraiah Naik
Non-Executive Director
Sri. P.Ramachandra Gowd
Independent Director
Sri H. Gurunath Reddy
Non-Executive Director
Sri.A.Kailashnath
Independent Director
Smt R Triveni (from 13.02.2021)
Independent Woman Director

G.M. & Company Secretary
Smt. V. Surekha

G.M. & Chief Financial Officer
Sri Shaik Ifthekhar Ahmed

Statutory Auditors
M/s. T. Adinarayana & Co.,
Chartered Accountants
Hyderabad.

BANKERS
State Bank of India

REGISTERED OFFICE & WORKS
Gondiparla, Kurnool - 518 004.
Andhra Pradesh - India

REGISTRARS & SHARE TRANSFER AGENT
Aarthi Consultants Pvt. Ltd.
Regd. Office : 1-2-285,
Domalguda,
Hyderabad - 500 029.
Telangana.
Tel No. : 040-27638111/4445,
Fax No. : 040-27632184
E-mail : info@aarthiconsultants.com

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NOTICE

NOTICE is hereby given that the 16th Annual General Meeting (AGM) of the Members of SREE RAYALASEEMA HI-STRENGTH HYPO LIMITED (CIN : L24110AP2005PLC045726) will be held on Thursday, September 30, 2021 at 1.00 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") and deemed venue of AGM is at the Registered Office of the Company to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt:

   a. the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon; and

   b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors thereon.

2. To declare dividend for the financial year ending March 31,2021

3. To appoint a Director in place of Sri. Krishnamoorthy Chandriah Naik, who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS :

4. **To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2022.**

   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 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 members be and hereby ratify the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) payable to Mr. N V S Kapardhi, Cost Accountant appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022.

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

5. **Approval of Material related party transactions with various related parties.**

   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 Board and its Powers) Rules,2014 and Regulation 23 of the Securities 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 approve all new/further contracts/ arrangements/ agreements/ transactions (including any modifications, alterations or amendments thereto), to be entered in the ordinary course of business and on arm’s length basis with ‘Related Parties’ within the meaning of the Act and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as more particularly enumerated in the explanatory statement to the Notice.

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.”

6. **To approve the reappointment of Sri A. Kailashnath ,(DIN: 03017003) as an Independent Director of the Company for a second term of five consecutive years and in this connection, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149 (10), 150 and 152 of the Companies Act, 2013 read with Schedule IV of the Companies Act,2013 and the Companies (Amendment) Act, 2017(‘Act’) read with the Companies (Appointment and Qualifications of Directors) Rules,2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and on recommendation of the Nomination & Remuneration Committee and the Board of Directors, Sri A Kailashnath (DIN: 03017003), Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act,2013 and who is eligible for reappointment be and is hereby re-appointed as an Independent Director on the Board of the Company, not liable to retire by rotation for a second term of five consecutive years commencing from September 28th, 2021 up to September 27th, 2026.

7. **Appointment of Smt R Triveni as an Independent Director of the Company**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 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(including any statutory modification(s) or re-enactment thereof, for the time being in force), Smt. R Triveni (DIN: 09045405), who has submitted a declaration that she meets the criteria for independence 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 Independent director of the Company for five consecutive years with effect from 13th February, 2021 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHRT THAT any of the Directors of the company be and are hereby severally authorised to do all such acts, deeds and things including signing and issuing letter of appointment and to complete all other formalities as may be required in this regard.

8. To appoint Sri.T.G.Bharath(DIN:00125087) , Director as Chairman & Managing Director for a period of 3 years

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

" **RESOLVED THAT** pursuant to sections 196, 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 and subject to any other statutory provisions and on consideration and recommendations of Nomination and Remuneration Committee and Board of Directors in it meetings held on 14.08.2021, consent and approval of the Company be and is hereby accorded to ratify appointment of Sri.T.G.Bharath, Chairman & Managing Director of the Company for a period of 3 years from 30.05.2022 to 29.05.2025 with remuneration as per following details .

a. Salary :Rs. 4,00,00,000 per annum or 5% of net profits as per section 197 read with sec 198 of Companies Act, 2013 whichever is higher.

b. Other benefits :

(a) Company's contribution to Provident fund, pension and Superannuation fund in accordance with the company's rules in force from time to time.

(b) Earned leaves on full pay and allowance as per rules of the Company. Leaves accumulated and not availed during the tenure may be encashed as per rules of the Company.

(c) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

The above benefits will not be included in the computation of the ceiling on remuneration.

Notwithstanding anything in this part, where in any financial year, during the tenure of the Managing Director , the Company has no profits or its profits are inadequate , it may pay him remuneration by way of Salary and perquisites as specified above , subject to the limits set out in Schedule V of the Companies Act, 2013 and Rules made there under."

By Order of the Board

Place : Kurnool
Date : August14, 2021

(V. Surekha)
Company Secretary

NOTES :

1. Explanatory Statement as required under sec 102 of the Companies Act, 2013 is annexed hereto.

2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 read with General Circular dated January13,2021 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conference (VC)or other Audio Visual Means (OAVM) , without the physical presence of the Members at a common venue. Securities and Exchange Board of India ("SEBI") vide its circular dated January 15, 2021 read with circular dated May 12, 2020 ("SEBI Circulars") has granted relaxation in respect of sending physical copies of annual report to shareholders for general meetings held through electronic mode. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclsoure Requirements) Regulations, 2015 and aforesaid MCA Circulars and SEBI Circulars, the 16th AGM of the Shareholders of the Company is being held through VC or OAVM. Hence, Shareholders can attend and participate in the AGM through VC/OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at Gondiparla, Kurnool – 518004 (A.P.)

3. Pursuant to the provisions of the Companies Act,2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip including Road Map are not annexed to this Notice.

4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent by email through its registered email address to companysecretary@srhhl.com with a copy marked to evoting@cdsl.co.in.

5. Pursuant to Section 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 7 days from 24.09.2021 to 30.09.2021 (both days inclusive) for the purpose of this Annual General Meeting and Dividend.

6. A person whose name is recorded in the register of shareholders or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., 23rd September,2021 shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

6. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on October 28, 2021 as under:

   i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”, as of the close of business hours on September 23, 2021.

   ii. To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on September 23, 2021.

7. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. **(In view of this , members holding shares in physical form are requested to convert their holdings in demat form)**

8. To support the ‘Green Initiative’, Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Company in case the shares are held by them in physical form.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Company in case the shares are held by them in physical form.

10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

11. Members seeking any information with regard to the accounts or any other information, are requested to write to the Company atleast 7 days before the meeting. The same will be replied by the Company suitably.

12. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education

and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

13. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.tgvgroup.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL.

14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

15. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ Aarthi Consultants Private Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to companysecretary@srhhl.com or info@aarthiconsultants.com by September 23, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

16. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate.

17. Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to info@aarthiconsultants.com . The aforesaid declarations and documents need to be submitted by the shareholders by September 23, 2021.

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

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 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the 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 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with 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 AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. 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 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 has been uploaded on the website of the Company at 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 and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

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.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on 27th September, 2021 at 9.00 A.M. and ends on 29th September,2021 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 23rd September,2021 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.

(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 abovesaid SEBI Circular**,** Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

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

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

1) The shareholders should log on to the e-voting website 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 and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form

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

(vi) these details appropriately, click on “SUBMIT” tab.

(vii) 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 of Sree Rayalaseema Hi-Strength Hypo 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) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; companysecretary@srhhl.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable 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 atleast 7 (Seven) 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 advance7 (Seven) 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.
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 through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. The Company reserves the right to restrict the number of questions and number of speakers as appropriate for smooth conduct of the AGM.

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

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/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) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

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

EXPLANATORY STATEMENT

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

Item No.4

The Board of Directors, on the recommendation of Audit Committee , has approved the re-appointment of M/s. NVS Kapardhi & Co., as Cost Auditor to conduct the audit of the cost records of the Company for financial year ending March 31 , 2022.

In accordance with the provisions of Section 148 of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost auditors had to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2022.

None of the directors / Key Managerial Personnel of the Company / their relatives are , in any way, concerned or interested, financially or otherwise , in the resolution set out at Item No.4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders .

Item No.5

Pursuant to the provisions of Section 188 of the Companies Act, 2013 ("the Act"), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors, Audit Committee and prior approval of the members by way of ordinary resolution, in case certain transactions with related parties exceeds such criteria as is specified in the said Rules. The aforesaid provisions as per the Act and rules are not applicable to the Company in respect of transactions which are in the ordinary course of business and are on arm's length basis.

However, pursuant to Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), approval of the members through ordinary resolution is required for all material related party transactions, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a Financial Year exceeds 10% of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All the Related Party Transactions entered into by your Company are on arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. However, they qualifies to be a Material Related Party Transactions under Listing regulations.

The value of transactions with related parties in respect of Financial year 2020-21 and the estimated value of transaction for next financial year 2021-22 continue to exceed 10% of the annual consolidated turnover of the Company, based on the audited financial statements for year ended March 31, 2021.

The particulars of the contract / arrangement with related parties are as under:

(Rs. in Lakhs)

S. No.	Particulars	Actuals for the financial year 2020-21					For the year 2021-22 (Estimated)
		Purchases	Sales	Lease Rentals	Services received	Total	
1	TGV SRAAC Limited	12,477.94	9,953.05	7.47	-	22,438.46	24,682.31
2	Other related parties	3,275.60	197.52	232.78	576.42	4,282.32	4,710.55
3	T G Venkatesh	-	-	63.14	260.00	323.14	355.45
4	T G Bharath	-	-	51.83	260.00	311.83	343.01
5	**Total**	**15,753.54**	**10,150.57**	**355.22**	**1,096.42**	**27,355.75**	**30,091.32**

Thus these transactions would require the approval of the members by way of Ordinary Resolution.

These transactions are covered by annual contract which are required for day to day operations of the Company which make the Company to run and are required to be continued in the long term interest and economic benefits of the Company.

None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution, except Sri.T G Bharath , Chairman & Managing Director.

The Board recommends the Ordinary resolution as set out in Item No. 5 of this Notice for your approval.

Item No. 6

In terms of section 149 and other applicable provisions of the Companies Act, 2013, Sri A Kailashnath (DIN: 03017003) was appointed as Independent Director by the members of the Company at 11th Annual General Meeting held on September 30 , 2016 for a period of five years .

In terms of provisions of Section 178 of the Companies Act,2013, the Nomination & Remuneration Committee of the Company shall recommend the appointment / reappointment of a Director to the Board of the Directors.

As per provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company , but shall be eligible for re-appointment for another term of up to five consecutive years on passing a Special Resolution by shareholders.

The Company had received intimation in Form DIR-8 from Sri A Kailashnath that he is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act, declaration that he meets with the criteria of independence as prescribed under subsection (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Sri. A Kailashnath fulfils the conditions for re-appointment as an Independent Director specified under section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 .

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Sri. A Kailashnath as an Independent Director.

Accordingly, the Board recommends passing of Special Resolution in relation to re-appointment of Sri. A Kailashnath as an Independent Director for another term of five consecutive years for the approval by shareholders of the Company. He is not liable to retire by rotation.

Except Sri. A Kailashnath, being an appointee and his relatives , none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at item No.6 of the accompanying notice of the AGM. Sri. A Kailashnath is not related to any Director of the Company.

Item No.7

The Board of Directors of the Company had appointed Smt R Triveni as an additional Director of the Company with effect from 13th February, 2021 pursuant to the provisions of Section 161 of the Companies Act,2013 who shall hold the office of Director up to the date of the ensuing Annual General Meeting.

The Company has received a consent in writing to act as Director in Form Dir-2 from Smt R Triveni pursuant 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 the Companies Act,2013.

In terms of provisions of Sections 149,150,152 , Schedule IV of the Act read with Companies (Appointment and qualification of Directors) Rules,2014, the Board of Directors of the Company had appointed (subject to the approval of the members at the ensuing Annual General Meeting) Smt R Triveni as an Independent Director of the Company for a term of 5 consecutive years commencing from 13th February,2021. ,

In the opinion of the Board , Smt R Triveni who is proposed to be appointed as an Independent Director of the Company with effect from 13th February, 2021 for a period of 5 years fulfils the conditions specified under Section 149 (6) and Schedule IV of the Act and is independent of the management of the Company. Considering her experience, her presence on the Board will be of immense value to the Company.

The Company has received a notice in writing from shareholder along with the requisite deposit pursuant to section 160 of the Act proposing the candidature of Smt R Triveni for the office of the Independent director to be appointed as such under the provisions of section 149 of the Act.

None of the Directors, Key Managerial Personnel of the Company, or their relatives, is interested in this resolution.

The Board recommends this resolution for your approval.

Item No.8

Sri T G Bharath appointed as Chairman and Managing Director of the Company for a period of 3 years from May 30,2019 to May 29,2022. As per amended SEBI (LODR) Regulations, 2015, which comes into effect from January, 2022 the approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a period of three months from the date apptontment, whichever is earlier. In pursuance to this, the Company is obtaining members approval before the expire period of appointment of Managing Director.After considering the recommendation of Nomination & Remuneration Committee in its meeting held on August 14, 2021 and the Board of Directors of the Company at its meeting held on August14, 2021, subject to approval of members in the AGM, appointed Sri T G Bharath, as Chairman & Managing

Director for a period of 3 years from May 30,2022 to May 29, 2025 .In accordance with the Articles of association of the Company, the Managing Director will not be liable to retire by rotation.

None of the Directors of the company other than Sri T G Bharath may be deemed to be concerned or interested in passing of this resolution.

Your directors commend the resolution as set out in item No. 8 in the notice for your approval .

Annexure :

I.General Information

(1) Nature of Industry: Manufacture of Industrial chemicals & generation of power through wind and thermal and trading activities.

(2) Year of Commencement of Commercial production:

The Company was incorporated on 28.03.2005 .The business of manufacturing of industrial chemicals had been vested in the Company with effect from the Appointed dated on 1st April, 2005 by virtue of Scheme of Arrangement sanctioned by the Hon'ble High Court of Andhra Pradesh vide its orders dated 15.06.2006 and generation of Wind Energy in the year 2008 and thermal energy in the year 2014.

The trading activity started in the year 2017.

(3) In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus:

Not Applicable.

(4) Financial Performance

(Rs. in Lacs)

Particulars	Year ended		
	31.03.2021	**31.03.2020**	**31.03.2019**
Turnover	91082.52	68910.22	70214.05
Profit Before Interest, Depreciation and Tax	13,695.01	10588.75	10288.81
Net Profit as per Profit and Loss Account	6,059.51	3791.20	2042.57
Amount of Dividend paid	514.94	429.12	343.30
Rate of Dividend declared	30%	25%	20%

The effective capital of the Company based on the latest audited accounts of the Company for the year ended 31st March, 2021 was Rs. **38,800.44** Lakhs.

Exports performance and foreign exchange earnings for the year ended 31st March, 2021 was Rs.23921.55 Lakhs.

(1) Foreign investment or collaboration, if any: Nil

The Company has no foreign collaboration so far.

II. Information about the appointee

(1) Background details:

Sri T G Bharath, aged 45 years, is post graduate in Business Administration with experience of over 20 years in business.

(2) Past remuneration:

Rs. 4,16,44,976 P.A. plus retirement benefits.

(3) Recognition or awards:

UdyogaRatna Award

Best Customer Award by ECGC

Best Customer Award by State Bank of Hyderabad

(4) Job profile and his suitability:

Sri T G Bharath, Chairman & Managing Director of the Company is in charge of the whole or substantially the whole of the management of the Company . He is eminently suited for the job.

(5) Remuneration proposed:

As mentioned in the resolution.

(6) Comparative remuneration with respect to industry, size of the Company, profile of the position and person:

Considering the size of the Company and the job profile of the position and the credentials and performance of the appointee, the remuneration proposed is moderate and reasonable and compares well with that of similar companies.

(7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Sri T G Bharath is promoter of the Company and together with his family and group companies, he holds substantial stake in the Company. He has no relationship with any other Directors of the Board.

III. Other Information

(1) Reasons for loss or inadequate profits:

The margins in the business are reasonable and the Company optimistic to generate higher margins considering the nature of business.

(2) Steps taken or proposed to be taken for improvement:

Various measures like expansion of sulphuric acid plant, hypochlorite plant have been taken and further measures are being taken for improving the margins and reduction in cost of operations.

(3) Expected increase in productivity and profits in measurable terms:

The Company is expected to register an increase of 5% to 10% per annum in productivity and thereby profits by about 2% to 4% every year.

IV Disclosures

The shareholders of the Company are informed of the remuneration package of the Managerial Personnel through the notice of the Annual General Meeting.

The Company being an listed Company, the Corporate Governance is applicable and the company has provides a detailed Corporate Governance Report as per SEBI(LODR)Regulations, 2015.

By Order of the Board

Place : Kurnool
Date : August 14, 2021

(V. Surekha)
Company Secretary

Details of Directors seeking appointment/reappointment at the forthcoming Annual General Meeting
(Pursuant to regulation 36(3) of the SEBI(LODR) Regulations, 2015)

Name of the Director	A Kailashnath	K C Naik	R Triveni	TG Bharath
Date of Birth	06-09-1983	13-07-1934	16-05-1977	05-08-1976
Date of appointment	30-05-2016	14-08-2014	13-02-2021	26-07-2006
Expertise in specific functional areas	Since 10 years into business of industrial packing materials , experience on market research analyst , worked in an automotive filter Company	More than 50 years of experience in industrial sectors like chemicals and fertilizers	18 years of experience in teaching and clinical. She had presentedmany national and international publications. Attended and presented research studiesin national conference.	More than 20 years of experience in chemical industry.
Qualifications	B.Com., M.B.A.	H.S.C	MDSJ Nutritionist Consultant (PGCN)	B.Com, M.B.A (U.K)
Shareholdings in the Company	-	-	-	51573
Directorship in other Listed Entities	-	-	-	-
Membership in committees in other Listed Entities	-	-	-	-

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the Sixteenth Annual Report of the Company for the year ended March 31 , 2021.

1. Financial Results: (Rs. in lakhs)

Parituculars	2020 - 2021	2019- 2020
Profit before interest, Depreciation and Tax	13695.01	10588.75
Less : Interest	547.56	1016.48
Depreciation	5060.75	5027.37
Profit before Tax	8086.70	4544.90
Provision for Taxation & Deferred Income Tax	2027.18	753.70
Profit after Tax	6059.51	3791.20
Add: Balance brought forward from previous year	23818.64	20544.02
Other adjustments	429.30	516.58
Balance carried forward to next year	29448.85	23818.64

2. Performance:

During the year the Company achieved turnover of Rs. 910.82 Crores against previous year turnover of Rs. 689.10crores. The profit before tax stood at Rs.80.86 Crores as against Rs. 45.45 crores for the previous year.

3. Division / Segment Wise Operations

(a)The net sales of Calcium Hypo Chloride during financial year 2020-21 is Rs.313.35 crores as against 291.28 crores in previous year representing an increase of 7.58%.

(b) The net sales of Stable Bleaching Powder during financial year 2020-21 is Rs. 104.20 crores as against 83.58 crores in previous year representing an increase of 24.67%.

(c) The net sales of Sodium Methoxide during financial year 2020-21 is 32.65 crores as against Rs. 35.04 crores in previous year representing a decrease of 6.82%. And the net sales of Sodium Hydride during financial year 2020-21 is 5.04 crores as against Rs. 8.50 crores during previous financial year representing a decrease of 40.74%.

(d) The trading activity in coal had fetched an amount of Rs. 303.98 crores as against Rs. 97.07 crores during previous year.

(e) The net sales of Sulphuric acid during financial year 2020-21 is 96.65 crores as against Rs. 129.36 crores during previous financial year representing a decrease of 25.29%.

(f) Total power generated, sold through Thermal, Wind and Solar during the year under review is Rs. 56.75 Crores.

4. Dividend:

Your Directors have recommended a final dividend of Rs.3.00/- per equity share of face value Rs.10/- each (i.e.,30% on paid up share capital) for the financial year ended 31st March,2021 . The dividend payment is subject to approval of members at the ensuing Annual General Meeting. The total cash outflow on account of dividend on equity shares for the financial year 2020-21 would aggregate Rs. 5,14,94,463/-. The dividend will be paid to members whose names appear in the Register of Members as on the book closure date. The dividend payment date is 28th October, 2021

5. 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 are required to be transferred by the Company to the IEPF established by the Government of India after the completion of seven years from the date of transfer to unpaid dividend account. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF authority. Accordingly, the Company has transferred unclaimed or unpaid dividend amounting to Rs. 19,49,114/- on 08.06.2018 relating to dividend declared in the year 2010-11. Further, 29,896 corresponding shares were transferred as per the requirements of the IEPF Rules. The details are made available on Company website, www.tgvgroup.com.

The shareholders can claim back their shares /dividend amount transferred to IEPF by filing Form IEPF-5 and other related documents.

The following table provides list of years for which unclaimed dividends and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:

Financial Year	Dividend Declared (%)	Date of declaration of dividend	Last date for claiming unpaid dividend	Unclaimed Dividend Amount* (Rs.)	Due date for transfer to the IEPF Account
2014-15	15%	30.09.2015	06.11.2022	27,08,369.72	07.11.2022
2015-16	15%	28.09.2016	04.11.2023	27,71,630.61	05.11.2023
2016-17	15%	27.09.2017	03.11.2024	27,23,127.40	04.11.2024
2017-18	20%	28.09.2018	04.11.2025	36,44,567.11	05.11.2025
2018-19	20%	30.09.2019	06.11.2026	34,58,283.55	07.11.2026
2019-20	25%	30.11.2020	06.01.2028	36,98,978.50	07.01.2028

*Amount unclaimed as on July 31 , 2021.

6. Board Meetings:

During the year, six (6) Board Meetings and four (4) Audit Committee Meetings were held and the details of which are mentioned in Corporate Governance Report.

7. Transfer to Reserves:

Your Company did not transfer any sum to the General Reserve for the financial year under review.

8. Subsidiaries, Joint Ventues and Associate Companies :

As on March 31, 2021 your Company has one Wholly owned subsidiary Company M/s TGV Sodium & Electrolite Private Limited . Although Company holds more than 20% of shareholding in M/s MV Salts & Chemicals Pvt Limited , it is not an associate Company within the meaning of Section 2(6) of the Companies Act,2013 and no joint ventures . As required under SEBI(LODR) Regulations, 2015 and Section 129 of the Companies Act,2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the consolidated financial statements of your Company and its Subsidiary Company are provided in the Annual Report. The Consolidated financial statements have been prepared in accordance with Ind AS 27 . The Consolidated financial statements have been prepared on the basis of audited financial statements of its subsidiary Company as approved by its Board of Directors. The Consolidated financial statement shows the financial resources, assets, liabilities , income, profit and other details of your Company and its subsidiary after elimination of inter –company transactions. A Separate statement is annexed explaining salient features of the financial statements of the subsidiary in AOC-1 ((Annexure-A) and the details of such entities of the Company formed/acquired /Ceased during the year are provided in (Annexure-A -1) to this report.

9. Insurance:

All assets of the Company and other potential risks have been adequately insured.

10. Fixed Deposits:

The Company has not accepted any public deposits under Section 73 of Companies Act, 2013 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

11. Listing of Shares:

The Equity shares of your Company are listed on BSE Ltd. and National Stock Exchange of India Ltd. The Company has paid the Annual Listing fees to each of these Stock Exchanges for the financial year 2021-22.

12. Safety and Environment Protection:

(1) To meet statutory requirement, order had been placed for procurement of Weather monitoring stations (03 nos.) which shall measure gaseous pollutants in the Company premises and surroundings, through which APPCB authorities shall be accessible to weather monitoring online.

(2) In order to improve operational safety in Unit-I Stable Bleaching Powder Plant, Vacuum pumps were provided with emergency power supply directly from Power Plant by incorporating changeover switch.

13. Industrial Relations:

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

14. Directors and Key Managerial Personnel:

Sri T.G. Bharath, Chairman & Managing Director is being reappointed for a period of 3 years. Sri. Krishnamoorthy Chandraiah Naik, Director is retiring by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. Sri. A Kailashnath, Independent Director is reappointing for second term for a period of 5 years. Smt R Triveni who had been appointed as additional director in the board meeting held on 13.02.2021 in the capacity of Independent Director will be appointed as Independent director for a period of 5 years under first term.

The brief particulars of the Directors seeking appointment / re-appointment at this Annual General Meeting are being annexed.

15. Evaluation of board performance:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI(LODR)Regulations, 2015, the Board has carried out performance evaluation taking into consideration of various aspects of the Board's functioning, composition of Board, and its Committees, execution, and performance of specific duties, obligations and governance. The Performance of evaluation of Independent Directors was completed. The Performance evaluation of Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with evaluation process.

16. Company's policy on directors' appointment and remuneration:

The Nomination and Remuneration Committee had been constituted by the Board which ensures the selection ,appointment of persons having wide exposure in their respective fields and remuneration to Directors, Key Managerial Personnel and Senior Management of the Company. The Board on the recommendation of the Nomination & Remuneration Committee takes necessary steps and decisions.

17. Statement of declaration given by independent directors under section 149(6) :

During the year under review the company has received the necessary declarations 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 Regulation 16(1)(b) of the Securities Exchange Board of India(Listing Obligations & Disclosure Requirements) Regulations, 2015.

18. Particulars of loans, guarantees or investments under section 186:

The Company had not given any loans , guarantees during the year 2020-21. The investment to the extent of Rs. 715.00 lakhs made in Mutual Funds during the year 2020-21 .

19. Particulars of contracts or arrangements with related parties:

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are material significant related party transactions made by the Company. All Related Party Transactions are placed before the Audit Committee as also the Board for approval, where ever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors . The Company had formulated a policy on dealing with related party transactions which has been uploaded on the Company's website :www.tgvgroup.com . Form AOC-2 is annexed to this report **(Annexure-B).**

20. Risk management policy:

Risk management policy was approved by the Board in its meeting held on 30.06.2021. The Policy is placed on company's website www.tgvgroup.com. The management takes necessary steps for implementation of the Policy by identifying potential threats to the organisation and the likelihood of their occurence and then taking appropriate actions to address the most likely threats. The process involved in Risk management are identifications of Risk/Evaluation/Assement, Prevention & Control, Financing, Measure and

Monitor effectiveness, reviewing and reporting.

21. Vigil Mechanism / Whistle Blower Policy:

The company has adopted a vigil mechanism policy in order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior.

22. Extract of Annual Return :

Pursuant to the provisions of Section 134(3)(a) of the Companies Act,2013, the extract of the Annual Return in Form MGT-9 is attached as (Annexure-C). The same is available on the web link : https://www.tgvgroup.com/investors/annual reports.

23. Particulars of Energy conservation, Technology Absorption and Foreign Exchange earnings and outgo:

Information as per 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 31st March, 2021 is annexed to this Report **(Annexure -D).**

24. Corporate Governance:

A report on Corporate Governance along with a Certificate for compliance with the conditions of Corporate governance in accordance with Securities Exchange Board of India(Listing Obligations & Disclosure Requirements) Regulations, 2015 issued by Practicing Company Secretary forms part of this Annual Report **(Annexure -E)**.

25. Management Discussion and Analysis Report :

Further to comply with regulation 34(2) read with Schedule V of SEBI(LODR) Regulations, 2015, 'Management Discussion and Analysis ' has been annexed to this report **(Annexure –F).**

26. Corporate Social Responsibility :

To comply with section 135 of Companies Act, 2013 and other applicable provisions, CSR Policy has been approved by the Board and constituted a CSR Committee to monitor the implementation of CSR activities. The details of CSR expenditure, constitution of CSR committee are annexed to this report (Annexure-G)

27. Cost Auditors:

As per section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audits) Rules,2014 as amended, the Board of Directors of your Company on recommendation of the Audit Committee appointed M/s. Kapardhi & Associates, Cost Accountants as the Cost Auditors to carry out the cost audit of products of the Company . The remuneration of cost auditors has been approved by the Board of Directors on the recommendation of Audit Committee and the requisite resolution for ratification of remuneration of cost auditors by the members has been set out in the notice of 16th Annual General Meeting of your Company.

The cost audit report for the financial year ended March 31, 2020 issued by M/s. Kapardhi & Associates, Cost auditors in respect of various products prescribed under Cost Audit Rules does not contain any qualification, reservation and the same was filed with Ministry of Corporate Affairs. The cost audit report for the financial year ended March 31 , 2021 is being submitted shortly.

28. Statutory Auditors:

The members at the 12th Annual General Meeting held on September 27, 2017, appointed M/s T.Adinarayana & Co., Chartered Accountants (Firm Registration No.000041S) as the Statutory Auditors of the company to hold office for a term of five years from the conclusion of 12th Annual General Meeting until the conclusion of the Annual General Meeting of the Company for the financial year 2021-22 on such remuneration as may be determined by the Board of Directors.

The members may note that the Ministry of Corporate Affairs vide its notification dated May 7, 2018 has done away with the requirement of yearly ratification of appointment of Statutory Auditors .

Pursuant to Section 139 of the Companies Act, 2013, the Statutory Auditors M/s T.Adinarayana & Co., Chartered Accountants have confirmed that they are eligible to continue as auditors.

There are no qualifications , reservation or adverse remark or disclaimer made in the audit report for the financial year 2020-21.

29. Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had re-appointed M/s. Geetha Serwani & Associates, Practicing Company Secretary, Hyderabad to undertake the Secretarial Audit of the Company for the Financial Year 2020-21. The Report of the Secretarial Audit Report is annexed to this report **(Annexure- H).** The report does not contain any qualification , reservation or any adverse remark.

30. Disclosure as per Sexual Harrassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

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

a. No. of complaints filed during the financial year - Nil

b. No. of complaints disposed during the financial year - Not Applicable

c. No. of complaints pending as on end of the financial year - Nil

31. Directors' Responsibility Statement:

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

(i) that the preparation of the accounts for the financial year ended March 31 , 2021 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

(ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

(iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

(iv) that the Directors had prepared the accounts for the financial year ended March 31 , 2021 on a 'going concern' basis.

(v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(vi) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

32. 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 affects the financial position of the Company according to the date of financial year and the date of its report .

33. Particulars of Employees:

Except Sri T G Bharath, Chairman & Managing Director ,no employee of the Company is drawing remuneration as prescribed under Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

34. Particulars of Remuneration:

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of Companies Act,2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.:

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Ratio to Median Remuneration
Sri.T.G.Bharath , CMD	122.66%
A.Kailashnath, Director	0.17%
Sri.H.Gurunath Reddy, Director	0.09%
Lt. D. S. Sai Leela (expired on 25.11.2020)	0.10%
Sri.P.Ramachandra Gowd , Director	0.17%
Sri.Krishnamoorthy Chandraiah Naik, Director	0.09%
Smt. R. Triveni, Director inducted as director on 13.02.2021	0.05%

(ii) The percentage increase in remuneration of each Director, Chief financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sri.T.G.Bharath, Managing Director	106.89
Smt.V Surekha, Company Secretary	8.02%
Sri.Ifthekhar Ahmed, Chief Financial Officer	7.44%

(iii) The percentage increase in the median remuneration of employees in the financial year - 2.38%

(iii) The number of permanent employees on the rolls of Company - 418

(iv) 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 point out if there are any exceptional circumstances for increase in the managerial remuneration :

The average increase in salaries of employees other than managerial personnel in 2020-21 was 2.38% .

Percentage increase in the managerial remuneration for the year is 106.89%

(v) Affirmation that the remuneration is as per the remuneration policy of the Company : YES

35. Acknowledgements:

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from Customers, Banks, Suppliers, Shareholders , Government departments and other statutory authorities and others associated with the Company. Your directors also wish to place on record their appreciation for the contributions made by employees at all levels , during the year under review .

For and on behalf of the Board

T.G. Bharath
Chairman & Managing Director
(DIN : 00125087)

Place : Kurnool
Date : August 14, 2021

ANNEXURE-A TO DIRECTORS' REPORT

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part "A": Subsidiaries :

The Company had only one wholly owned subsidiary Company M/s TGV Sodium & Electrolite Private Limited during the financial year 2020-21 which is yet to commence its operations.

Financial year begining	April 1, 2020
Financial year ending	March 31, 2021
Reporting currency	Indian Rupee
Share Capital	11,00,000
Reserves & Surplus	2,85,101
Total Assets	15,89,581
Total Liabilities	7,74,682
Investments	0.00
Turnover	0.00
Profit Before Tax	(2,37,040)
Provision For Tax	0.00
Profit after Tax	(2,37,040)
Proposed Dividend	0
% of share holding	100

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company.

Name of Associate Company	-
1. Latest audited Balance Sheet Date	-
2. Shares of Associate Company held by the company on the year end	
No.	-
Amount of Investment in Associates	-
Extend of Holding%	-
3. Description of how there is significant influence	-
4. Reason why the associate/joint venture is not consolidated	-
5. Net worth attributable to shareholding as per latest audited Balance Sheet	-
6. Profit/Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	-

ANNEXURE - A-1

Entities formed/acquired or ceased during the financial year 2020-21

(pursuant to section 134 read with Rule 8(5((iv) pf Companies (Accounts)Rules, 2014.)

1. Subsidiaries formed/acquired or ceased : Nil
2. Associate Companies formed /acquired or ceased : Refer para no.8

For and on behalf of the Board

T.G. Bharath
Chairman & Managing Director
(DIN : 00125087)

Place : Kurnool
Date : August 14 , 2021

ANNEXURE - B TO DIRECTORS REPORT

Form No. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length 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 arrangement or transactions at arm's length basis:

Sl. No	(a)Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrange ments/ transa-ctions	(c) Duration of the contracts/ arrange ments/ transa-ctions	(d) Salient terms of the contracts or Transactions including the value, if any: (Rs.)	(e) Date(s) of approval by the Board, if any:	(f)Amount paid as advances if any (Rs.)
1.	TGV SRAAC Ltd	Purchases Sales Rent Paid	Annual Contracts	1,247,794,257 995,305,471 746,682	June 30, 2021	
2.	TGV Projects & Investments Pvt Ltd	Purchases Sales Rent Paid Services Received	Annual Contracts	- 135,862 21,373,573 10,107,365		
3.	Gowri Gopal Hospitals Pvt Ltd	Purchases Sales Rent Paid Services Received	Annual Contracts	1,283,633 317,908 1,904,520 3,791,619		
4	Sree Rayalaseema Galaxy Projects Pvt Ltd	Purchases Sales Services Received	Annual Contracts	1,820,999 10,922,944 43,640,299		
5	T G Venkatesh	Rent paid	Lease	63,14,227		
6	T G Bharath	Rent paid	Lease	5,182,914		
7	T G V Industries Pvt. Ltd.,	Purchases Sale	Annual Contracts	32,44,55,000 83,75,000		
8	GGICU	Services Received	Annual Contracts	1,03,000		

Note : The above related party disclosures are only under Section 188 read with Section 133 of the Companies Act, 2013.

For and on behalf of the Board

T.G. Bharath
Chairman & Managing Director
(DIN : 00125087)

Place : Kurnool
Date : August 14 , 2021

ANNEXURE - C TO DIRECTORS REPORT
FORM NO. MGT-9

Extract of annual return as on the financial year ended on 31.03.2020 pursuant to section 92(3) of Companies Act,2013 and rule 12(1) of the Companies (Management and Administration)Rules, 2014).

I Registration and other details :

(i)	CIN	L24110AP2005PLC045726
(ii)	Registration Date	28-03-2005
(iii)	Name of the Company	Sree Rayalaseema Hi-Strength Hypo Limited
(iv)	Category/sub-category of the Company	Public Company / Limited by Shares
(v)	Address of the Registered Office and contact details	Regd Off : Gondiparla, Kurnool-518004. 6-2-1012, TGV Mansion, IVth Floor, Above ICICI Bank, Khairatabad, Hyderabad - 500004. Ph No. 040-23313964; Fax No. 040-23313875.
(vi)	Whether listed Company Yes/No	Yes
(vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any	Aarthi Consultants Pvt. Ltd. Regd. Office: 1-2-285, Domalguda Hyderabad-500029.(Telangana State) Tel No. 040-27638111 / 4445, Fax No: 040-27632184 e-mail : info@aarthiconsultants.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 products/services	NIC Code of the product/ service	% of total turnover of the Company
1	Calcium Hypo Chlorite	20119	34.72
2	Sulphuric Acid	20119	10.71
3	Stable Bleaching Powder	20119	11.54

III Particulars of Holding, Subsidiary and Associate Companies:-

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1.	TGV Sodium & Electrolite Private Limited	U24290AP2020 PTC114059	Subsidiary	100	Sec 2 (87)
2.	MV Salts & Chemicals Pvt Limited	U24110TG1979 PTC002417	Associate	23.72	Sec 2(6)

IV. SHAREHOLDING PATTERN (Equity share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of shareholders	No of shares held at the beginning of the year (April 1, 2020)				No of shares held at the end of the year (March 31, 2021)				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A.Promoters									
(1) Indian									
(a) Individual/HUF	1364730	0	1364730	7.95	1364730	0	1364730	7.95	0
(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.	9293638	0	9293638	54.14	9285655	0	9285655	54.10	(0.04)
(e) Banks/FI	0	0	0	0	0	0	0	0	0
(f) Any other...	0	0	0	0	0	0	0	0	0
Sub-total A(1)	10658368	0	10658368	62.09		10650385	10650385	62.05	(0.04)
(2) Foreign									
(a) NRIS-Individual	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) Institutions/QFI	0	0	0	0	0	0	0	0	0
(e) Any other...	0	0	0	0	0	0	0	0	0
Sub-Total(A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of promoter (A)=(A)(1)+(A)(2)	10658368	0	10658368	62.09		10650385	10650385	62.05	(0.04)
B. Public Shareholding									
1. Institutions									
(a) Mutual funds	1322	928	2250	0.01	1322	928	2250	0.01	0.00
(b) Banks/FIS	5079	0	5079	0.03	4551	0	4551	0.03	0.00
(c) Central /State Govts	0	0	0	0	0	0	0	0	0
(d) Venture Capital funds	0	0	0	0	0	0	0	0	0
(e) Insurance companies	0	0	0	0	0	0	0	0	0
(f) Foreign Portfolio Investors	0	0	0	0	4000	0	4000	0.02	0.02
(g) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(h) QFI	0	0	0	0	0	0	0	0	0
(i) Others....	0	0	0	0	0	0	0	0	0
Sub-Total(B)(1)	6401	928	7329	0.04	9873	928	10801	0.06	0.02
2. Non Institutions									
(a) Bodies Corp									
(i) Indian	279823	47226	327049	1.91	225904	44650	270554	1.58	(0.33)
(ii) Overseas	0	2593	2593	0.01	0	0	0	0.00	(0.01)
(b) Individuals									
(i) Individual shareholders holding nominal share capital up to Rs. 2 lakhs	2681573	1722208	4403781	25.66	2632934	1716833	4349767	25.34	(0.32)
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	784750	0	784750	4.57	879043	0	879043	5.12	0.55
(c) Others(specify) NRIS	153579	800069	953648	5.56	153188	793746	946934	5.52	(0.04)
(d) IEPF	29896	0	29896	0.17	29896	0	29896	0.17	0
(e) Clearing member	0	0	0	0	27441	0	27441	0.16	0.16
Sub-Total (b) (2)	3929621	2569503	6499124	37.86	3948406	2555229	6503635	37.89	0.03
Total Public shareholding (B)= (B)(1)+(B)(2)	**3936022**	**2570431**	**6506453**	**37.90**	**3958279**	**2556157**	**6514436**	**37.95**	**(0.05)**
C. Shares held by custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**14594390**	**2570431**	**17164821**	**100**	**14608664**	**2556157**	**17164821**	**100**	**0**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2020)			Shareholding at the end of the year (March 31, 2021)			% of change in share holding during the year
		No.of shares	% of total shares of the company	% of shares pledged/ encum-bered to total shares	No.of shares	% of total shares of the company	% of shares pledged/ encum-bered to total shares	
1.	T G V Securities Pvt Ltd	656414	3.82	0	656414	3.82	0	0
2.	TGV Projects & Investments Pvt Ltd	2405383	14.01	0	2405400	14.01	0	0.
3.	Sree Rayalaseema Dutch Kassenbouw Pvt Ltd	499422	2.91	0	499422	2.91	0	0
4.	Gowri Gopal Hospitals Pvt Ltd	3668639	21.37	0	3668639	21.37	0	0
5	Brilliant Industries Pvt Ltd	305042	1.78	0	297042	1.73	0	0.05
6	Sree Rayalaseema Galaxy Projects Pvt Ltd	1513989	8.82	0	1513989	8.82	0	0
7	T G V SRAAC Ltd	244749	1.43	0	244749	1.43	0	0
8	T G Bharath	515737	3.00	0	515737	3.00	0	0
9	T G Shilpa Bharath	425714	2.48	0	425714	2.48	0	0
10	T G Rajyalakshmi	415744	2.42	0	415744	2.42	0	0
11	Boda Mourya	488	0.00	0	488	0.00	0	0
12	Jyothsna S Mysore	7047	0.04	0	7047	0.04	0	0

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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	10658368	62.09%	10650385	62.05
Date wise increase/ decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment / transfer / bonus / sweat equity etc.,)	Sold in the secondary market			
At the end of the year	10650385	62.05%		

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares held	% of total shares of the Company	No.of Shares held	% of total shares of the Company
1	BHAVESH SHAH	341267	1.98	318832	1.86
2	KALYANI P JAIN	96784	0.56	96784	0.56
3	VARSHA BHAVESH SHAH	82596	0.48	82596	0.48
4	ISHA SECURITIES LIMITED	-	-	78725	0.46
5	ANIL BHAVANJI SHAH	-	-	55454	0.32
6	MADHU MANSHARAMANI	-	-	50000	0.29
7	SHIVSWAROOP GUPTA(HUF)	-	-	40000	0.23
8	PREM NATH MAINI	36300	0.21	38200	0.22
9	SATYA PRAKASH GUPTA	-	-	37000	0.22
10	SRI NARAYAN MERCANTILE PRIVATE LIMITED	-	-	- 34741	- 0.22

(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 April1, 2020 to March 31,2021	Reason	Cumulative shareholding during the year (April 1, 2020 to March 31, 2021) No. of shares	% of total shares of the Company
		No. of Shares at the beginning of the year (April1, 2020)/ end of the year (March 31,2021)	% of total shares of the Company				
1.	Sri.T.G.Bharath	515737	3.00	-		515737	3.00
2.	Smt.D.S. Sai Leela	58	0	-		58	0
3.	Smt.V.Surekha	500	0	-		500	0
4.	Sri.Ifthekhar Ahmed	500	0	-		500	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebted-ness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	6,77,30,989	-	1,27,99,375	8,05,30,364
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6,77,30,989	-	1,27,99,375	8,05,30,364
Change in Indebtedness during the financial year				
• Additions	-	-	50,00,000	50,00,000
• Reduction	(6,08,02,249)	-	-	(6,08,02,249)
Net Change	(6,08,02,249)		50,00,000	(5,58,02,249)
Indebtedness at the end of the financial year				
(i) Principal Amount	69,28,740	-	1,77,99,375	2,47,28,115
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	69,28,740	-	1,77,99,375	2,47,28,115

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

1. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager
		T G Bharath
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (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	Rs. 4,16,44,976
2.	Stock Options	–
3.	Sweat Equity	–
4.	Commission-as % of profit-others, specify....	–
5.	Others, please specify	–
	Total (A)	**Rs. 4,16,44,976**
	Ceiling as per the Act	**Rs. 4,16,45,000**

2. Remuneration to other Directors :

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		D.S. Sai Leela	P.Rama chandra Gowd	A.Kailash nath	R. Triveni	
1.	Independent Directors. • Fee for attending board committee meetings • Commission • Others, please specify	34,500	59,000	16,500	1,69,000	
	Total (1)	**34,500**	**59,000**	**59,000**	**16,500**	**1,69,000**
		K C Naik	**H.Gurunath Reddy**			
2.	Other Non-Executive Directors. • Fee for attending board committee meetings • Commission • Others, please specify	30,000	31,500		61,500	
	Total (2)	**30,000**	**31,500**		**61,500**	
	Total(B)= (1+2)				**2,30,500**	
	Total Managerial Remuneration Overall Ceiling as per the Act				NA	

3. Remuneration to Key Managerial Personnel Other than MD/Manager/ WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the the Income Tax Act, 1961	779,866	883,916	1,663,782
	(b) Value of perquisites u/s 17(2) Income -tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2.	Stock Options	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission-as % of profit-others, specify....	0	0	0
5.	Others, please specify	0	0	0
	Total	**779,866**	**883,916**	**1,663,782**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act, 2013 against the Company or its Directors or other Officers in default, if any, during the year under review

ANNEXURE-D TO DIRECTORS REPORT

Conservation of energy, technology absorption, foreign exchange earnings and outgo :

I. Conservation of Energy:

1. In Calcium Hypo Chlorite Plant, Sulphuric Acid Plant and Pharma Plant, few continuous operation pumps were selected for replacement with high energy efficient pumps. Purchase Order was released for procurement of high energy efficient pumps.

2. In SBP Plant cooling tower fans interlock provided to conserve electrical energy.

II. Special Areas In which R & D carried out by the Company

(1) To avoid disposal of solid waste (Crude gypsum) generated during dechlorination of effluents from Sulphonation method, new Catalytic decomposition method was developed.

III. Benefits Derived by R & D :

(1) Soild waste generation stopped.

(2) Reduction in cost of dechlorination.

IV. Future Plans in R&D

(1) At present, imported Hydrated Lime and Indigenious Quick Lime are being used in a fixed composition to prepare Milk of Lime, which is a raw material for Calcium Hypo Chlorite product. There are plans to use only imported Hydrated Lime with some treatment method which can substantially reduce CaCO3 impurity in Calcium Hypo Chlorite final product.

(2) In order to improve Available Chlorine content in Premium Grade Stable Bleaching Power (PGSBP) product, a change in the manufacturing process (by incorporating an additional process step) is being proposed which shall be implemented shortly.

V. Other Improvements:

(1) To meet Hydrogen gas customers requirement order has been placed for 200 barg pressure Hydrogen gas compressor whose delivery is expected shortly. From the past almost 3 decades our Company was bottling Hydrogen gas only upto 150 barg pressure.

(2) In the forthcoming Annual shut down of Sulphuric Acid Plant No.I (2022) revamping is planned from present 175 tpd production capacity to 200 tpd alongwith power generation.

(3) Company ERP software is updgraded from Focus-6 to Focus-9i for improved control and effective utilization of the resources.

(4) To improve suveillance within the Plant premises more than 500 CC cameras shall be installed which shall be connected through Network Video Recording (NVR) system with a Centralized Control Room.

(5) In Old and New Cal Hypo Plants, Compact Roller Machines' feeders are modified from Star-Delta type Forward-reverse starters to RDOL starters to reduce breakdowns.

(6) In Old Cal Hypo Plants, Bag House and Recycle Hopper vibrator panels are shifted to MCC room from plant area for better environment.

(7) In Pharma Plant HT Breaker of SF6 Type was replaced with latest VDF breaker for improved life.

(8) Multiple Effect Evaporation (MEE) Plant which is meant for recovery of saleable products (i) NaCl (Sodium Chloride) amd (ii) CaCl2 (Calcium Chloride) from High TDS Efflunet water, shall be commissioned by August, 2021.

(9) Company is exploring the opportunities for setting up manufacturing units for certain value added products such as Hydrogen Peroxide and Methonol.

Technology Absorption, Adoption and Innovation:

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

Foreign Exchange Earnings and Outgo:

a) Activities relating to exports, initiatives taken to increase Exports, development of new export market for products and services and export plans:

The Company has continued to maintain focus and avail of export opportunities based on economic consideration.

b) Total Foreign Exchange used/earned

(Rs. in lakhs)

i. Foreign Exchanged earned	23,921.55
ii. Foreign Exchange used	32,534.68

ANNEXURE-E TO DIRECTORS REPORT

Report on Corporate Governance

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. Company's Philosophy On Code Of Governance

Corporate Governance encompasses a set of systems and practices to ensure that the company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholder's aspirations and societal expectations. Corporate Governance in Sree Rayalseema Hi-strength Hypo Limited is a systematic process by which Company is directed and controlled to enhance its wealth generating capacity. Sree Rayalaseema Hi-strength Hypo Limited (SRHHL) has been practicing the principles of good corporate governance. The Board of Directors supports the broad principles of corporate governance. In addition to the basic governance issues, the Board lays strong emphasis on attainment of high levels of transparency, accountability and integrity.

2. Board Of Directors

The composition of the Board is in compliance with the SEBI(LODR) Regulations, 2015. The Board comprises of Six Directors and three directors are independent Directors. Except Chairman & Managing Director, the other Directors are non-executive Directors. The details of Directors attending the meetings are further furnished hereunder:

Sl. No.	Name of the Director	Category	No. of Board meeting attended during the fy 2021	whether attended last AGM held on November 30, 2020	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 Chairman	As Member	
1.	Sri T.G. Bharath	Chairman & Managing Director	6	Yes	1	—	—	—
2.	Sri A.Kailashnath	Independent Director	6	Yes	—	—	—	—
3	Smt. D.S. Sai Leela*	Independent Director	3	—	—	—	—	—
4.	Sri.P.Ramachandra Gowd	Independent Director	6	Yes	—	—	—	—
5.	Sri.H.Gurunath Reddy	Non-Executive Director	6	Yes	—	—	—	—
6.	Sri.Krishnamoorthy Chandraiah naik	Non-Executive Director	6	No	—	—	—	—
7.	Smt. R Triveni**	Independent Director	2	—	—	—	—	—

*Smt D S Sai Leela, Independent director expired on 25.11.2020.
**Smt R Triveni appointed as independent director on 13.02.2021

Number of Board Meetings:

During the financial year ended March 31 , 2021, Six Board meetings were held on (1) June 30,2020 (2) September 14, 2020 (3) November 13,2020 (4) December 16, 2020 (5)February 13, 2021 (6)March 13, 2021.

The maximum time gap between any two meetings was not more than four calendar months.

3. Committees Of The Board

Audit Committee

The composition of the Audit Committee is in accordance with the Corporate Governance guidelines and the provisions of Section 177 of the Companies Act, 2013. The main terms of reference of the Audit Committee are:

(i) the recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;

(ii) review and monitor the auditor's independence and performance and effectiveness of audit process ;

(iii) examination of the financial statement and the auditor's report thereon;

(iv) approval or any subsequent modification of transactions of the company with related parties;

(v) scrutiny of inter-corporate loans and investments ;

(vi) valuation of undertakings or assets of the company, wherever it is necessary;

(vii) evaluation of internal financial controls and risk management systems;

(viii) monitoring the end use of funds raised through public offers and related matters.

The Audit Committee reconstituted on 13.02.2021 with Sri.A.Kailashnath as Chairman , Smt. R Triveni and Sri.P.Ramachandra Gowd as members . The role, terms of reference and authority and powers of the Audit Committee are in conformity with the requirements of Companies Act, 2013 and SEBI(LODR) Regulations, 2015.

The Audit committee Meetings were held on following dates :

(1)June 30,2020 (2) September 14, 2020 (3) November 13 , 2020 (4) February 13, 2021 and all the members attended the meetings.

Nomination And Remuneration Committee

The Nomination and Remuneration Committee reconstituted on 13.02.2021 with Sri.A.Kailashnath as Chairman, Smt. R Triveni and Sri. P. Rama chandra Gowd as members. The Committee interalia, deals with all elements of remuneration of Chairman & Managing Director's service contracts, notice period, severance of payments etc. Meeting of Nomination and Remuneration committee was held on February 13, 2021 and all the members attended the meeting. The non-execitive Directors will be paid sitting fee of Rs. 5000/- per meeting of Board and audit committee and Rs. 1500/- per meeting of other committees.

The CMD will not be paid any sitting fee for attending the Board meetings. The details of total remuneration paid to Sri T.G. Bharath, CMD for the year is furnished hereunder:

Salary	Perquisites	Commission	Total (Rs.)
Rs. 4,16,44,976	---	---	Rs. 4,16,44,976

Stakeholders Relationship Committee

Stakeholders Relationship Committee is constituted to review the actions taken by the Company in relieving Investors' Grievances and its response to Stock Exchanges, SEBI and other related Government correspondence. The Committee reconstituted on 13.02.2021 with Sri.A.Kailashnath as Chairman, Smt. R Triveni and Sri.P.Ramachandra Gowd as members . The Company is vested with the requisite powers and authorities to specifically look into redressal of shareholder and investor grievances. During the financial year ended March 31, 2021 four meetings were held and all the members attended the meetings.

No. of Investor queries / complaints received in the year 2020-21	Pending at the end of the year	No. of pending Share Transfer
6	NIL	NIL

Name and Designation of the compliance officer :

Smt V. Surekha , Company Secretary has designated as Compliance Officer by the Board.

Risk Management Committee : Pursuant to Regulation 21 of SEBI (LORD) Regulations 2015, Risk Management Committee was constituted on 30.06.2021 with Sri T.G. Bharath as Chairman, Sri A. Kailashnath, Sri P. Ramachandra Goud and Sri H. Gurunath Reddy as members to visualize internal and external threats, risks. The Policy is placed on Company's website www.tgvgroup.com.

4. General Body Meetings :

(a) The details of last three Annual General Meetings of the Company and the special resolutions approved by the Members

Year	Location of AGM	Date	Time	Items of Special resolutions approved
2018	Regd. Office, Gondiparla, Kurnool-518004 (A.P.)	September 28, 2018	11 A.M.	1. Approval for continuation of directorship of Sri Krishnamoorthy Chandraiah Naik, Non-Executive Director
2019	Regd. Office, Gondiparla, Kurnool-518004 (A.P.)	September 30, 2019	11 A.M.	1. Appointment of Sri T G Bharath As Chairman & Managing Director. 2. Reappointment of independent director for second term. 3. Alteration of Articles of Association

Year	Location of AGM	Date	Time	Items of Special resolutions approved
2020	Held through video conference/ audio visual means. Deemed venue was Regd. Office, Gondiparla, Kurnool-518004 (A.P.)	November 30,2020	11 A.M	1. Reappointment of independent director for second term.

Resolution(s) passed through Postal Ballot :

No postal ballot was conducted during the finanicl year 2020-21. There is no immediate proposal for passing any resolution through postal ballot.

5. Disclosures:

None of the transactions with any of the related parties were in conflict with the interest of the Company at large. The details of related party transactions are furnished under note no. 46 of Notes to Accounts to financial statements. The Company has not received any notices from Stock Exchanges or SEBI regarding non-compliance of statutory provisions. The Company is complying with all mandatory requirements as per SEBI(LODR) Regulations, 2015 .

6. Means Of Communications:

The quarterly, half yearly and annual financial results of the Company are published in newspapers - Business Standard (English) and Andhra Prabha (Telugu) generally and submitted to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) where the shares of the Company are listed. The Financial results are also displayed on Company's website ww.tgvgroup.com. A Management Discussion Analysis Report is a part of this Annual Report.

7. General Shareholder Information

(a) **Annual General Meeting:**

Date : Thursday, September 30 , 2021

Time : 1.00 P.M.

Venue : The Company is conducting meeting through VC/OAVM as per MCA and SEBI circulars.

(b) **Tentative Financial Calendar :** The next financial year covers the period from April 1, 2021 to March 31 , 2022.

Un-audited Financial Results for :

First Quarter	-	July/August, 2021
Second Quarter	-	October/November, 2021
Third Quarter	-	January/February, 2022
Fourth Quarter	-	April/May, 2022

(c) **Book Closure/ Record Date :**

September 24,2021 to September 30, 2021 (both days inclusive) for the purpose of Annual General Meeting and payment of Dividend.

(d) **Dividend Payment Date:** October 28 ,2021

(e) **Listing on Stock Exchanges**: The shares of the Company are listed on BSE Limited, Phiroze Jeejabhoy Towers, Dalal Street, Mumbai-400001 & National Stock Exchange of India Ltd (NSE) , Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai - 400051. Annual listing fee for the year 2021-22 had been paid to BSE and NSE .

(f) **Stock Code** : The Stock codes on Exchanges are

BSE Ltd.	-	532842
The National Stock Exchange of India Ltd.	-	SRHHYPOLTD
Demat ISIN Nos. in NSDL and the CDSL	-	INE 917H01012

(g) **Market price Data for Financial year 2020-21:**

Month &Year	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2020	111.75	70.40	113.00	70.30
May, 2020	107.60	91.50	109.00	92.20
June, 2020	126.60	97.50	129.85	96.80
July 2020	172.75	122.05	172.00	122.25
August, 2020	195.50	154.95	195.75	152.75
September, 2020	205.85	156.00	207.00	155.50
October, 2020	199.20	166.10	200.00	168.10
November, 2020	273.70	170.00	273.80	169.00
December, 2020	265.00	220.95	260.00	208.80
January, 2021	262.00	223.20	261.90	220.20
February, 2021	269.95	224.00	258.00	223.20
March, 2021	314.00	228.60	313.15	228.30

(h) **Share Transfer System:**

As mandated by SEBI, securities of the Company can be transferred / traded only in dematerialized form except in case of request received for transmission or transposition of securities. Shareholders holding shares in physical form are advised to avail the facility of dematerialization.

(i) **Share Transfer Agents:**
M/s. Aarthi Consultants Pvt. Ltd
Regd.Office: 1-2-285, Domalguda
Hyderabad-500029 (Telangana)
Tel No. 040-27638111 / 4445
Fax No: 040-27632184
Email: info@aarthiconsultants.com

(j) **Distribution of Shareholding as on March 31 , 2021 :**

Sl.No.	Category	Shares	Amount	%
1.	Promoters	1,06,50,385	10,65,03,850	62.05
2.	Mutual Funds	2,250	22,500	00.01
3.	Banks & Financial Institutions	4,551	45,510	00.03
4.	Bodies Corporate	2,70,554	27,05,540	01.58
5.	Indian public	52,60,251	5,26,02,510	30.64
6.	NRI / OCBS	9,46,934	94,69,340	05.52
7.	IEPF	29,896	2,98,960	00.17
	TOTAL	**1,71,64,821**	**17,16,48,210**	**100.00**

(k) **Dematerialisation of shares and liquidity:**

The Company's shares are covered under compulsory dematerialization list and are transferrable under depository system. As on March 31, 2021, 85.11 % of shares were held in Demateralised form and rest in physical form.

(l) **Outstanding GDR / ADRs / Warrants / Convertible Instruments –**

Not applicable

(m) **Code of Conduct**

In compliance of Regulation 17 (5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "Code of Conduct" applicable to all members of board of Directors and 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 CMD

As provided in Schedule-V (D) of SEBI(LODR) Regulations, 2015, the Directors and Senior Management personnel have confirmed compliance with code of conduct for the period ended March 31, 2021.

Sd/-
T G Bharath
Chairman & Managing Director
DIN : 00125087

Place : Kurnool
Date : August 14, 2021

(n) **Plant Locations:**

- Stable Bleaching Powder Plant (2 Nos.) located at Gondiparla, Kurnool District, Andhra Pradesh.
- Sulphuric Acid-3 plants, Chloro Sulphonic Acid and Calcium Hypochlorite (Hi –Strength Hypo) plants are located at Gondiparla, Kurnool District, Andhra Pradesh.

- Bottling of Hydrogen Gas plant situated at Gondiparla, Kurnool District, Andhra Pradesh.
- Wind energy generators (7 Nos) units situated in Tamilnadu State.
- Sodium Methoxide and Sodium Hydraxide Plant at Gondiparla, Kurnool.
- 10MW thermal Power Plant at Gondiparla, Kurnool.

(o) **For all matters, address for correspondence at any of the following addresses:**

(A) Registrar and Share Transfer Agent
M/s. Aarthi Consultants Pvt. Ltd.
Door No. 1-2-285, Domalguda
Hyderabad – 500 029
e-mail Id : info@aarthiconsultants.com

(B) Sree Rayalaseema Hi-strength Hypo Limited
No. 6-2-1012, IV Floor, TGV Mansion
Above ICICI Bank, Khairatabad
Hyderabad – 500 004 (A.P.)
Tel. Nos. 040-23313843, Fax No.: 040-23313875
e-mail Id : companysecretary@srhhl.com

8. Non Disqualification Certificate from Company Secretary in Practice:

Certificate from Geeta Serwani & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority as stipulated under Regulation 34(3) of the listing regulations is annexed to this report (Annexure-I).

9. Details of utilization of funds raised through preferential allotment :

Not Applicable

10. Details of non- compliance by the listed entity , penalities, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority , on any matter related to capital markets, during the last three years:

No penalty or strictures have been imposed on the Company by any of the aforesaid authorities during the last three years.

11. Credit Rating:

As the company has not issued any debt instruments or accepted any fixed deposit, the Company was not required to obtain credit ratings in respect of the same. The credit rating from CRISIL during the financial year 2020-21 for bank facilities are CRISIL A-/Positive Stable for long term and CRISIL A1 for Short term.

12. Fee paid to Statutory Auditors:

Total fees for all services paid by the Company to the Statutory Auditors M/s. T. Adinarayana & Co., Chartered Accountants during the year ended March 31,2021 is Rs. 2,06,000/-

13. Dividend Distribution Policy

(I) Objective:

The objective of this policy is to strike the right balance between the quantum of the dividend paid and amount of profits retained in the business for various purposes. The Board of Directors will have regards to this policy while declaring/recommending dividends on the behalf of the Company. Through this policy, the Company would strive to maintain a consistent approach to dividend pay-out plans.

(II) Parameters and Factors for Declaration of Dividend

The dividend pay-out decision of the Board depends upon the following financial parameters, internal and external factors:

Internal Factors : (1)Operating cash flow of the Company (2)Profit earned during the year (3)Profit available for distribution (4) Working capital requirements (5) Capital expenditure requirements (6) Business expansion and growth (7) Up gradation of technology and physical infrastructure (8) Cash flow required to meet contingencies (9) Resources required to fund acquisitions and new business (10)Cost of Borrowings (11) Need for conservation of cash due to economic downturn (12) Track record of dividends distributed by the company (13) Government Policies (14) Any other relevant factors that the Board may deem fit to consider before declaring dividend.

External Factors : (1) Economic environment (2) Capital market scenario (3) Global conditions (4) Statutory provisions and guidelines (5) Dividend payout ratio of Companies in the same industry.

(III) Circumstances under which the shareholders of the company may or may not expect dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

(i) Proposed expansion plans requiring higher capital allocation

(ii) Decision to undertake any acquisitions, amalgamation, merger, joint ventures, new product launches etc. which requires significant capital outflow

(iii) Significant cash flow Requirements towards higher working capital requirements

(iv) Proposal for buy-back of securities

(v) In the event of loss or inadequacy of profit

IV. Rate/ Quantum of Dividend:

It has always been the Company's endeavor to deliver sustainable value to all its stakeholders, which has been evident from the consistent dividend track record of the Company. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business, to the shareholders, in the form of dividend. The Company would maintain a dividend pay-out as may be determined by the Board from time to time, considering the general business factors and other significant parameters specified in this policy. The dividend will be declared on per share basis only.

V. Parameters to be adopted with regard to various classes of shares

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue any other classes of shares.

The policy is placed on company's website www.tgvgroup.com

For and on behalf of the Board

T.G. BHARATH

Place : Kurnool — Chairman & Managing Director

Date : August 14, 2021 — DIN : 00125087

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Member,
Sree Rayalaseema Hi-Strength Hypo Limited

We have examined the compliance of the conditions of Corporate Governance by Sree Rayalaseema Hi-strength Hypo Limited ("the Company") for the year ended March 31 , 2021 as stipulated under Regulation 17 to 27 , clauses (b) to (i) of sub –regulation (2) of Regulation 46 and para C,D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations")

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

In our opinion and to the best of our information and according to the explanation given to us , and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended March 31,2021.

We further state that such compliance 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.

Geeta Serwani & Associates
(Practicing Company Secretary)
Sd/-
(Geeta Serwani)
Proprietor
Memb No. F8991
UDIN : F008991C000785129
ACS: 24479
COP: 8842

Date : August 14, 2021
Place : Hyderabad

ANNEXURE-F TO DIRECTORS REPORT

Management Discussion & Analysis Report:

A) Industry Structure And Developments:

The Company's main activity is manufacturing of chemicals. Other activities are generation of power through wind, Solar, thermal and also trading activities.

B) Opportunities And Threats:

(1) There is growing demand for Calcium Hypochlorite in the international market

(2) Most of the raw materials are easily available locally thus savings in the transportation costs

(3) The raw material prices are uncertain in the market. Any steep upward price rise would affect the profitability of the unit.

(4) The import of lime for the manufacture of Hi-strength Hypochlorite and Sodium Metal for Sodium Hydride may affect the profitability of the Company due to exchange fluctuations.

(5) The generation of power through wind mainly depends on high wind velocity which is seasonal in nature and thermal energy mainly depends on availability of coal both indigenous and imported .

C) Segment-Wise Or Product-Wise Performance:

The Company surpassed its previous year performance in case of Calcium Hypo chloride (HSH), Stable Bleaching Powder (SBP) , Sodium Methoxide , Sulphuric Acid , Chloro Sulphonic Acid (CSA) , bottling of Hydrogen Gas, Oleum and Power generation through Thermal energy . However, there was a slight decline in Sodium Hydride, Mono Chloro Acetic Acid (MCA) , Hydrochloric acid (HCL), , Power generation through wind .

D) Outlook:

The Company is exploring possibilities in manufacturing of electrolite products.

E) Risks And Concerns:

(i) Raw material prices are market driven and any upward revision will affect the profitability of the Company.

(ii) Fluctuations in foreign exchange currencies in relation to exports, Imports and FCTL.

(iii) The investments in shares are market driven which are exposed to related risks.

F) Internal Control Systems and Their Adequacy:

The Company has a good system of internal controls in all spheres of its activities. All the staff of the Internal Audit Department are well trained in internal control procedures and well versed with computerized environment. Further, in key areas like stores, finalization of purchase orders and fixation of material prices are under pre-audit. The Management regularly reviews the findings of the internal auditors and effective steps to implement the suggestions/observations of the Auditors are taken and monitored regularly. In the opinion of the Board, an effective internal control system adequate to the size of the Company are in place.

G) Discussion on Financial Performance With Respect To Operational Performance:

For the year 2020-21 net profit before Tax is Rs. 8086.70 lakhs against Rs. 4544.90 lakhs during the previous year. The Company provided Rs. (1022.96) lakhs towards deferred tax, Rs.3050.15 lakhs towards current tax and net profit after Tax is Rs. 6059.51 lakhs.

H) Material Developments In Human Resources / Industrial Relations Front, Including Number Of People Employed:

During the year, the Company maintained harmonious and cordial industrial relations. The Company regularly conducting seminars and workshops to improve the safety and maintenance of the factory and for also timely dispatches of quality products. The Company is deputing employees for attending seminars for updating their skills and knowledge. The Company had around 430 employees on its rolls.

Details of Key Financial Ratios :

Ratios	March 31, 2021	March 31, 2020	% of Change
Interest coverage ratio (Profit before tax + interest + Depreciation) / Interest	454.16	63.92	(610.51)
Debtors turnover ratio (Receivable + more than 90 days) / Gross Sales	0.11	0.12	11.62
Inventory Turnover ratio (Inventory) / Cost of goods sold(note: cost of goods sold is excluding interest, selling and other overheads)	0.11	0.11	0.00
Current ratio Current Assets / Current Liabilities (excluding AMTL)	2.65	2.15	(23.43)
Debt equity ratio Long term Debt / Net worth	0.002	0.02	91.07
Operating profit margin (%) PBIT / net sales	0.09	0.07	(27.29)
Net Profit margin (%) Net profit / net sales	0.07	0.06	(10.88)
Return on Net worth Net Profit / Net worth	0.16	0.12	(30.14)

Annexure G-Corporate Social Responsibility

In compliance with the guidelines prescribed under Section 135 of Companies Act, 2013, read with companies (Corporate Social responsibility policy) rules, 2014 as amended your Company has constituted a CSR Committee which monitors the implementation of C.S.R. activities. The committee reconstituted on 13.02.2021 with Sri A Kailashnath as Chairman and Smt.R Tiveni , Sri P Ramachandra Gowd as members. Appropriate steps are taken by the company to integrate CSR activities for the development of areas surrounding the Company in particular and other areas in general. During the financial year 2020-21 ,the company had to spent Rs. 83,11,237. Against this the Company had spent Rs.1,00,63,630.

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.)
1	Drinking Water to people of nearby areas	Provision of Drinking Water	Local area	5,55,245	5,55,245	5,55,245	5,55,245
2	Education	Provision of Education	Local area	1,85,000	1,85,000	1,85,000	1,85,000
3	Animal Welfare	Provision of Animal Welfare	Local area	13,10,000	13,10,000	13,10,000	13,10,000
4	Health Care	Health Care	Local area	80,13,385	80,13,385	80,13,385	80,13,385
			Total Rs.	**10,063,630**	**10,063,630**	**10,063,630**	**10,063,630**

1. Brief outline on CSR Policy of the Company:	Appropriate steps are taken by the company to integrate CSR activities for the development of areas surrounding the Company in particular and other areas in general. In compliance with the guidelines prescribed under Section 135 of Companies Act, 2013, your Company has constituted a CSR Committee which monitors the implementation of C.S.R. activities.

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 A kailashnath	Independent Director	1	1
2.	Sri P Ramachandra Gowd	Independent Director	1	1
3.	Lt. D.S. Sai Leela	Independent Director	1	1

3. 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 **www.tgvgroup.com**

4. 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

5. 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.			
2.			
3.			
	Total		

6. Average net profits of the Company as per section 135 (5) : 415,561,843

7. (a) Two percent of average net profit of the Company as per section 135(5): 8,311,237

   (b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. 33,25,000

   (c) Amount required to be set off for the financial year, if any :0

   (d) Total CSR obligation for the financial year (7a+7b+7c) : 4,986,237

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

Total amount spent for the financial year (in Rs.)	Amount Unspent(in Rs.)				
	Total amount transferred to Unspent CSR account as per Section 135(6)		Amount transferred to any fundspecified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
10,063,630	-	-	-	-	-

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

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)	Mode of implementation-Through implementating agency	
				State	District						Name	CSR Registration number
1.												
2.												
Total												

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

1	2	3	4	5		6	7	8	
Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the project		Amount allocated for the project (in Rs.)	Mode of implementation-Direct (Yes / No)	Mode of implementation-Through implementating agency	
				State	District			Name	CSR Registration number
1.									
2.									
Total									

(d) Amount spent in Administrative overheads

(e) Amount spent on Impact Assessment, if applicable

(f) Total amount spent for the financial year (8b+8c+8d+8e)

(g) Excess amount for set off, if any

Sl No	Particular	Amount (in Rs.)
1	Two percent of average net profit of the company a per section 135(5)	8,311,237
	Total amount spent for the Financial year	10,063,630
	Excess amount spent for the financial year [(ii)-(i)]	1,752,394
	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	33,25,000
	Amount available for set off in succeeding financial years [(iii)-(iv)]	50,77,394

9. (a)Details of Unspent CSR amount for the preceding three financial years: **NOT APPLICABLE**

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	

(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.)	Stauts of the project- Completed / ongoing
1.								
2.								
	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**

Sd/-

T G Bharath
(Chairman & Managing Director)

Sd/-

A Kailashnath
(Chairman of CSR Committee)

ANNEXURE - H TO DIRECTORS' REPORT:

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Member,
Sree Rayalaseema Hi-Strength Hypo Limited
(CIN : L24110AP2005PLC045726)
Gondiparla Kurnool 518004
Kurnool Dist
Andhra Pradesh

I, Geeta Serwani, Proprietor of M/s. Geeta Serwani and Associates, Practicing Company Secretary have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sree Rayalaseema Hi-Strength Hypo Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion , the Company has during the audit period covering the financial year ended on March 31, 2021 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the 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 maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India , 1992 (' SEBI Act'); The Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(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;

(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ;

(e) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I have also examined compliance with the applicable clause of the following;

I. The Secretarial Standards issue by the Institute of Company Secretaries of India.

II. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Accordingly, the Industry specific major Acts as applicable to the Company are complied.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc 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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

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 has no specific events/facts which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Geeta Serwani & Associates
(Practicing Company Secretary)
Sd/-
(Geeta Serwani)
Proprietor
Memb No. F8991
UDIN : F008991C000785107
ACS: 24479
CP: 8842

Date : August 14, 2021
Place : Hyderabad

"ANNEXURE A" to SECRETARIAL AUDIT REPORT

To,
The Member,
Sree Rayalaseema Hi-Strength Hypo Limited
(CIN : L24110AP2005PLC045726)
Gondiparla Kurnool 518004
Kurnool Dist
Andhra Pradesh

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Geeta Serwani & Associates
(Practicing Company Secretary)
Sd/-
(Geeta Serwani)
Proprietor
Memb No. F8991
UDIN : F008991C000785107
ACS: 24479
CP: 8842

Date : August 14, 2021
Place : Hyderabad

"ANNEXURE I"

CERTIFICATE OF 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 Member,
Sree Rayalaseema Hi-Strength Hypo Limited
(CIN : L24110AP2005PLC045726)
Gondiparla Kurnool 518004
Kurnool Dist
Andhra Pradesh

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sree Rayalaseema Hi-Strength Hypo Limited having CIN (L24110AP2005PLC045726) and having registered office at Gondiparla, Kurnool-518004 (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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to 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, 2021 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 :

Sr. No.	DIN	Name	Designation	Date of appointment
1	00125087	Mr. Tumbalam G Bharath	Chairman & Managing Director	25/07/2006
2	03017003	Mr A Kailashnath	Independent Director	30/05/2016
3	06948544	Mrs. Duggi Saileela Surakkagar	Independent Director	14/08/2014
4	06948557	Mr Ramachandra Gowd	Independent Director	14/08/2014
5	07211326	Mr H Gurunath Reddy	Non Executive Director	15/06/2015
6	06948531	Mr. Krishna Murthy Chandraiah Naik	Non Executive Director	14/08/2014
7	09045405	Mrs. R. Triveni	Independent Director	13/02/2021

*Mrs. D S Sai Leela expired on 25.11.2020.

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

Geeta Serwani & Associates
(Practicing Company Secretary)
Sd/-
(Geeta Serwani)
Proprietor
Memb No. F8991
UDIN: F008991C000785008
ACS: 24479
CP: 8842

Date : August 14, 2021
Place : Hyderabad

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Sree Rayalaseema Hi-Strength Hypo limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Sree Rayalaseema Hi-Strength Hypo Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafterreferred to as 'the financial statements').

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

Basis for opinion

We conducted our audit of thestandalone financial statements 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 theStandalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of thestandalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of thestandalone financial statements of the current period. These matters were addressed in the context of our audit of thestandalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl.No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition** The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.	Principal Audit Procedures We reviewed the Company's implementation of Ind AS 115, including recognition of the effect on opening equity and changes to procedures, accounting guidelines, disclosures and systems to support correct revenue recognition. We reviewed and discussed the accounting policy including the key accounting estimates and judgements made by management.

Sl.No.	Key Audit Matter	Auditor's Response
	Revenue from sale of goods is recognized when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The application of the new revenue accounting standard involves certain significant judgements and estimates made by the management including identification of distinct performance obligations, determination of transaction price of the identified performance obligations, determination of transaction price, the appropriateness of the basis used to measure revenue recognized over a period. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. Accumulated expenses are used to estimate provisions of discounts, rebates. Refer note 2.12 of the financial statements. Principal Audit Procedures	We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognised. We read a sample of contracts to assess whether the method for recognition of revenue was relevant and consistent with Ind AS 115, and had been applied consistently. We focused on contract classification, allocation of income and cost to the individual performance obligations and timing of transfer of control. We evaluated the significant judgements and estimates made by management in applying accounting policy to sample of contracts and we obtained evidence to support them, including contractual agreements, delivery records. We also considered the historical outturns of estimates used in prior periods. We applied Audit Techniques to establish, whether any revenue has been recognized where no corresponding accounts receivable or cash has been recorded in the general ledger.

Information Other than the Standalone financial statements and Auditor's Report Thereon

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

Our opinion on thestandalone 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 thestandalone financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with thestandalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether thestandalone 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 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 thestandalone 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 controls.

- Obtain an understanding of internal financial controls 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.

- 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 thestandalone 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 thestandalone financial statements including the disclosures, and whether thestandalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143 (11) of the Act, we give in Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that :

   a) We have sought and obtained all the information and explanations which to thebest 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 relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure-B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial

3. 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

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of amendments to section 197(16) of the Act:

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. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

For **T. Adinarayana & Co.**
Chartered Accountants
Regn. No. 000041S
Sd/-
Y. Pullarao
Partner
Membership No. 25266
UDIN:21025266AAAADB3971

Place: Kurnool
Date : June 30, 2021

Annexure A to Independent Auditors' Report

With reference to Annexure A as referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the company on the standalone financial statement for the year ended 31 March 2021, we report the following:

Sl. No.	Ref.to CARO	Report by Independent Auditors
1	3(i)	**Fixed Assets**
	3(i)(a)	The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
	3(i)(b)	As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, have regard to the size of the Company and nature of its assets, no material discrepancies were noticed on such verification.
	3(i)(c)	According to the information and explanations given to us and the records examined by us and based on the examination of sale deeds, conveyance deeds, encumbrance certificates verified by us, we report that the title deeds comprising all the immovable properties of lands, buildings which are free hold, are in the name of the company as at the balance sheet date.,

Sl No.	Particulars of immovable property, location & other details	Gross block as at the Balance sheet date	Net Block as at the balance sheet date	Remarks
1	Land located at Gondiparla,Kurnool Survey No. 16 admeasuring 2.02 acres	2,37,576	2,37,576	As per the information given to us, this was received in scheme ofamalgamation. Change of title is under process.
2	Land located at manjawadi, Laxmapuram, Tamilnadu Survey No. 38/1A, 38/5A, 38/3A1, 143P.Ac admeasuring 6.340 acres	3,57,772	3,57,772	As per the information given to us, this was received in scheme ofamalgamation. Change of title is under process.
3	Land located at kaluvekkam, Tiruporur, Tamilnadu Survey No. 245-2B, 217 admeasuring 3.0 acres	14,92,627	14,92,627	As per the information given to us, this was received in scheme ofamalgamation. Change of title is under process.
4	Land located at Konapapapeta, U.Kothapally Mandal, East Godavari DistrictSurvey No. 263/2, 263/3admeasuring 16.60 acres	23,30,990	23,30,990	As per the information given to us, this was received in scheme ofamalgamation. Change of title is under process.
5	Land located at NenamVillage, East Godavari District Survey No. 306, 301, 301/1,301/2, 302/2 admeasuring51.858 acres	42,54,639	42,54,639	As per the information given to us, this was received in scheme ofamalgamation. Change of title is under process.

Sl. No.	Ref.to CARO	Report by Independent Auditors
2	**3(ii)**	**Inventories**
		As explained to us, the inventories has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. There were no material discrepancies noticed on verification between the physical stock and the book records.
3	**3(iii)**	**Loans to parties covered by Sec.189 of the Companies Act,2013 ('the Act')**
		According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to body corporate, firms, Limited Liability Firms or other parties covered in the register required to be maintained under section 189 of the Act. Accordingly the provisions of the clause 3 (iii) of the Order are not applicable to the Company for the year under review.
4	**3(iv)**	**Loans ,guarantees, securities to and investments in other companies**
		In our opinion and according to the information and explanation given to us, the company has no transactions for compliance with the provisions of Sections 185 and complied with the provisions of Section 186 of the Act in respect of investments made and loans given.
5	**3(v)**	**Acceptance of deposits**
		In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year as per provisions of Section 73 or 76 of the Act or any other relevant provisions of the Act and the relevant Rules framed thereunder. Accordingly the provisions of the Para 3 (v) of the Order are not applicable to the Company for the year under review.
6	**3(vi)**	**Maintenance of cost records**
		The maintenance of cost records as specified by the Central Government u/s 148(1) of the Companies Act,2013('The Act') is applicable to the company for the Financial Year ending 31st March,2021. We have broadly verified the cost records maintained by the company u/s 148(1) of the Act and we are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained.

Sl. No.	Ref.to CARO	Report by Independent Auditors
7	3(vii)	**Statutory Dues**
	3(vii)(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee's State insurance, Income Tax, Goods and Service Tax, duty of Customs, Cess and other material statutory dues have been generally deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Goods and Service Tax, duty of Customs, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
	3(vii)(b)	According to the information and explanation given to us, there are no material dues of statutory dues of Income tax, sales tax, Service tax, Goods and Service tax, Customs duty, Excise duty, Value added tax, cess and other dues that have not been deposited by the Company on account of any disputes however the following dues of excise duty, service tax, and income tax have not been deposited by the company on account of pending disputes as detailed here under.

Sl. No.	Name of the statute	Nature of dues	Amount Involved in the SCN	Forum where dispute is pending	Period to which amount is related
1	C.No.V/01/ 115/2015-16- CE- Audit-G-I dtd.23.02.2017 issued by Addl. Commr, TPT	Wrong availment of Cenvat Credit in respect of various Input Services for the period Apriil-15 to March-2016	Rs.3,08,243/-	Pending at Addl. Commissioner, Tirupati.	2015-2016
2	C.No.V/01/ 115/2015-16- CE- Audit-G-I dtd.20.03.2017C.No.V/ 01/115/2015- 16-CE- Audit- G - I dtd.20.03.2017 issued by Asst Commissioner, Tirupati	Wrong availment of Cenvat Credit in respect of job work for the period Feb-15 to March-2016	Rs.121,707/-	(SCN issued for Rs.1,71,676/- but an amount of Rs.49,969/- dropped by A.C, Kurnool vide OIO No.1/ 2018 (C.E) Dt:31.03.2018 Pending as CESTAT, Hyderabad .	2015-2016

8	3(viii)	**Defaults in repayments to Financial Institutions/Banks/ Debenture holders**
		In our opinion and according to the information and explanation given to us, the Company has not defaulted in the payment/ repayments of loans or borrowings to the banks.
9	3(ix)	**Initial public offer/further offer**
		In our opinion and according to the information and explanation given to us, the company, during the year, has not raised any monies by the way of , any initial public offer (IPO) or further public offer of securities (including debt instruments) and hence reporting for IPO or further public offer under Para 3(ix) of the Order is not applicable to the company and the term loans availed during the year have been utilised for the purpose they were raised.
10	3(x)	**Frauds by or on the company**
		In our opinion and according to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11	3(xi)	**Managerial Remuneration**
		In our opinion and according to the information and explanation professional opinon given to us based on the examination of the records of the Company, the company has paid/provided managerial remuneration in accordance with the requisite approvals and compliances mandated by the provisions of section 197 read with Schedule V to the Act.
12	3(xii)	**Nidhi company**
		In our opinion and according to the information and explanation given to us, the company is not a Nidhi Company as prescribed under Section 406 of the Act and hence paragraph 3(xii) of the Order is not applicable to the company.
13	3(xiii)	**Transactions with Related parties**
		In our opinion and according to the information and explanation given to us and based on our examination of the records of the Company, all transactions with related parties are in compliance with provisions of section 177 and section 188 of the Act where applicable, and the details of transactions as required by the applicable Indian Accounting Standards have been disclosed in the financial statements.

Sl. No.	Ref.to CARO	Report by Independent Auditors
14	3(xiv)	**Preferential allotment u/s 62 or private placement u/s 42 of the Act**
		According to the records of the Company, the Company has not made any preferential allotment. The Company has not made private placement of shares or fully /partly convertible debentures U/s 42 of the Act during the year under report for such Private Placement.
15	3(xv)	**Non-cash transactions with directors u/s 192 of the Act**
		In our opinion and according to the information and explanation given to us and based on our examination of the records of the Company, the company has not entered during the year into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Sec 192 of the Act and paragraph 3(xv) of the Order are not applicable to the company.
16	3(xvi)	**Registration u/s 45-1A of Reserve Bank of India Act,1934**
		According to the information and explanation given to us, the company is not required to be registered under section 45-1A of the Reserve bank of India Act, 1934 and hence paragraph 3(xvi) of the Order is not applicable to the company.

For **T. Adinarayana & Co.**
Chartered Accountants
Regn. No. 000041S
Sd/-
Y. Pullarao
Partner
Membership No. 25266
UDIN:21025266AAAADB3971

Place : Kurnool
Date : June 30, 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sree Rayalaseema Hi-Strength Hypo Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Para (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Sree Rayalaseema Hi-Strength Hypo Limited ("the Company") as of March 31, 2021 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **T. Adinarayana & Co.**
Chartered Accountants
Regn. No. 000041S
Sd/-
Y. Pullarao
Partner
Membership No. 25266
UDIN:21025266AAAADB3971

Place : Kurnool
Date : June 30, 2021

Standalone Balance sheet as at 31st March, 2021

(All amounts in Lakhs, except otherwise stated)

	Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS				
Non-current assets				
(a)	Property, Plant and Equipment	3	10,161.44	12,730.72
(b)	Right-to-use assets on lease	3	856.55	1,042.84
(c)	Capital work-in-progress	3	44.49	305.49
(d)	Investment properties	4	2,375.00	2,375.00
(e)	Financial assets			
	i) Investments	5	5,045.32	1,843.59
	ii) Other financial assets	6	432.47	416.06
(f)	Deferred tax Asset		549.71	0.00
(g)	Other non-current assets	7	1,013.95	1,009.32
	Total Non-current assets		**20,478.93**	**19,723.02**
Current assets				
(a)	Inventories	8	3,970.65	3,670.83
(b)	Financial assets			
	i) Trade receivables	9	9,660.33	8,203.01
	ii) Cash and cash equivalents	10	685.50	4,163.97
	iii) Bank balances other than Cash and cash equivalents	11	13,167.75	4,477.53
	iv) Loans	12	77.02	83.31
	v) Other financial assets	13	287.86	294.93
(c)	Current Tax Assets (Net)	14	0.00	-
(d)	Other current assets	15	3,564.14	3,867.60
	Total Current assets		**31,413.25**	**24,761.18**
	TOTAL ASSETS		**51,892.19**	**44,484.20**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity Share capital	16	1,716.48	1,716.48
(b)	Other equity	17	37,083.96	29,440.20
	Total Equity		**38,800.44**	**31,156.68**
Liabilities				
Non-current liabilities				
(a)	**Financial liabilities**			
	i) Borrowings	18	51.10	94.38
	ii) Others	19	177.99	127.99
	iii) Lease Liability	20	845.16	928.05
(b)	Deferred tax liabilities (Net)	21	0.00	465.85
(c)	Deferred Government grants	22	95.95	101.95
(d)	Provisions	23	84.27	98.08
	Total Non-current liabilities		**1,254.48**	**1,816.30**
Current liabilities				
(a)	Financial liabilities			
	i) Borrowings	18	6,065.17	3,860.63
	ii) Trade payables			
	(A) total outstanding dues of micro, small and medium enterprises	24	261.93	143.31
	(B) total outstanding dues of creditors other than micro, small and medium enterprises	24	941.50	2,355.92
	iii) Other financial liabilities	25	1,661.90	1,496.76
	iv) Lease Liability	25	171.48	257.18
(b)	Other current liabilities	26	1,854.73	1,874.18
(c)	Provisions	27	94.84	95.49
(d)	Current tax liability (Net)	28	785.72	1,427.75
	Total Current liabilities		**11,837.27**	**11,511.22**
	TOTAL LIABILITIES		**13,091.75**	**13,327.52**
	TOTAL EQUITY AND LIABILITIES		**51,892.19**	**44,484.20**
	See accompanying notes forming part of financial statements.			
	General information	1		
	Summary of significant accounting policies	2		
	Notes to Financial Statements	40-53		

As per our report of even date attached.
For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No: 21025266AAAADB3971

Place: Kurnool
Date : June 30, 2021

For and on behalf of the Board

Sd/-
Sri T.G.Bharath
Chairman & Managing Director

Sd/-
Smt. R.Triveni
Director

Sd/-
Smt. V.Surekha
Company Secretary

Sd/-
Sri S. Ifthekhar Ahmed
Chief Financial Officer

Place : Kurnool
Date : June 30, 2021

Standalone Statement of Profit and Loss for the year ended 31st March, 2021

(All amounts in Lakhs, except otherwise stated)

	Particulars	Note No.	Year ended 31st March 2021	Year ended 31st March 2020
I	**Revenue from operations**	**29**	**91,082.52**	**68,910.22**
II	**Other income**	**30**	**663.21**	**391.69**
III	**Total revenue (I + II)**		**91,745.73**	**69,301.91**
IV	**Expenses**			
	Cost of materials consumed	31	34,490.67	34,336.93
	Purchase of stock-in-trade	32	28,585.60	9,931.63
	Changes in inventories of finished goods, work in progress and stock-in-trade	33	118.61	(610.37)
	Emloyee benefit expense	34	2,368.45	2,252.73
	Finance cost	35	547.56	1,016.48
	Depreciation and amortisation expense	3	5,060.75	5,027.37
	Other expense	36	12,487.38	12,802.24
	Total expenses (IV)		**83,659.03**	**64,757.01**
V	**Profit/ (loss) before exceptional items and tax (III-IV)**		8,086.70	4,544.90
VI	**Exceptional items**		-	-
VII	**Profit/ (loss) before tax (V-VI)**		**8,086.70**	**4,544.90**
VIII	**Tax expense**			
	Current tax	37	3,050.15	2,011.86
	Deferred tax	37	(1,022.96)	(1,258.16)
	Earlier year tax adjustments		-	-
	Total Tax expense (VIII)		**2,027.18**	**753.70**
IX	**Profit/ (loss) for the period After Tax (VII-VIII)**		**6,059.51**	**3,791.20**
X	**Other comprehensive income**	**38**		
	Items not to be reclassified to profit or loss in subsequent periods:			
	Net gain /(losses) on FVTOCI financial instruments		2,661.38	(6,237.05)
	Re-measurement gains/ (losses) on defined benefit plans		29.37	23.87
	Tax effect		(677.21)	1,563.73
	Other comprehensive income/(loss) for the year		**2,013.55**	**(4,649.45)**
XI	**Total comprehensive income for the period (IX+X)**		**8,073.06**	**(858.25)**
XII	**Earnings per equity share**	**39**		
	a) Basic		35.30	22.09
	b) Diluted		35.30	22.09
	See accompanying notes forming part of financial statements.			
	General information	1		
	Summary of significant accounting policies	2		
	Notes to Financial Statements	40-53		

As per our report of even date attached.
For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No: 21025266AAAADB3971

Place: Kurnool
Date : June 30, 2021

For and on behalf of the Board

Sd/-
Sri T.G.Bharath
Chairman & Managing Director

Sd/-
Smt. R.Triveni
Director

Sd/-
Smt. V.Surekha
Company Secretary

Sd/-
Sri S. Ifthekhar Ahmed
Chief Financial Officer

Place : Kurnool
Date : June 30, 2021

Standalone Cash flow statement for the year ended March 31, 2021

(All amounts in Lakhs, except otherwise stated)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Cash flow from operating activities		
Profit before tax	**8,086.70**	**4,544.90**
Profit before exceptional items and tax	**8,086.70**	**4,544.90**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	5,060.75	5,027.37
Interest received	(396.21)	(182.19)
Interest paid	547.56	1,016.48
Interest expense due to amortisation of processing fees	1.95	0.74
Interest income & expenses due to amortisation of rent deposits	(9.12)	(8.62)
Income due to government grant recognised	(6.00)	(6.00)
Operating profit before working capital changes	**13,285.62**	**10,392.68**
Working capital adjustments:		
(Decrease)/Increase in trade payables	(1,295.79)	(1,683.22)
(Decrease)/Increase in non-current financial liabilities	50.00	(2.75)
(Decrease)/Increase in current financial liabilities	165.08	(350.02)
(Decrease)/Increase in other current liabilities	(19.45)	669.22
(Decrease)/Increase in short term provisions	(0.64)	4.37
(Decrease)/Increase in long term provisions	15.57	28.72
(Increase)/Decrease in non-current financial asset	(9.24)	(10.55)
(Increase)/Decrease in other non-current assets	(4.63)	176.60
(Increase)/Decrease in trade receivables	(1,457.31)	586.56
(Increase)/Decrease in inventories	(299.82)	34.00
(Increase)/Decrease in other current assets	303.45	1,386.06
(Increase)/Decrease in financial assets	13.37	(194.70)
Cash generated from operating activities	**10,746.22**	**11,036.97**
Direct taxes paid (net)	(3,692.18)	(1,105.64)
Net cash flow from operating activities (A)	**7,054.03**	**9,931.33**
Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(2,044.18)	(805.83)
Purchase of investment	(1,210.16)	(1.00)
Interest received	396.21	182.19
Redemption/(Investment) of margin money deposit	(8,653.57)	(3,102.06)
Earmarked for dividend	(36.65)	(34.50)
Net cash flow from/ (used in) investing activities (B)	**(11,548.35)**	**(3,761.20)**
Cash flows from financing activities		
Interest paid	(458.94)	(913.22)
(Repayment)/Proceeds of long term borrowings	(43.28)	(500.11)
(Repayment)/Proceeds from short term borrowings	2,204.54	(98.46)
Dividend paid	(429.30)	(413.86)
(Repayment)/Proceeds of lease liability	(257.18)	(258.13)
Net cash flow from/ (used in) in financing activities (C)	**1,015.84**	**(2,183.78)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(3,478.48)**	**3,986.35**
Cash and cash equivalents at the beginning of the year	4,163.97	177.62
Cash and cash equivalents at the end of the year	**685.50**	**4,163.97**
Components of cash and cash equivalents		
Cash on hand	4.07	8.24
Balances with banks		
- in Current Account	681.44	4,155.73
Total cash and cash equivalents (Note 10)	**685.50**	**4,163.97**

Note:

The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS -7 "Statement of Cash Flows"
Previous Year's figures have been regrouped / rearranged to confirm to the current years presentation, wherever necessary.

As per our report of even date attached.
For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No: 21025266AAAADB3971

Place: Kurnool
Date : June 30, 2021

For and on behalf of the Board

Sd/-
Sri T.G.Bharath
Chairman & Managing Director

Sd/-
Smt. R.Triveni
Director

Sd/-
Smt. V.Surekha
Company Secretary

Sd/-
Sri S. Ifthekhar Ahmed
Chief Financial Officer

Place : Kurnool
Date : June 30, 2021

Stipulative Statement of changes in Equity

(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

a. Equity share capital	Note	Amount
As at 1st Apr 2019		**1,716.48**
Changes in equity share capital during the year	16	-
As at 31st Mar 2020		**1,716.48**
Changes in equity share capital during the year	16	-
As at 31st Mar 2021		**1,716.48**

b. Other Equity

Particulars	Note	Reserves and Surplus: Securities premium reserve	Reserves and Surplus: Retained earnings	Reserves and Surplus: Other reserve	Other Comprehensive income: FVOCI - equity & preference instruments	Other Comprehensive income: OCI - Actuarial gain/loss on gratuity	Money received against share warrants	Total other equity
Balance at 31st March, 2019	**17**	**3,026.59**	**20,544.01**	**2,762.75**	**4,489.29**	**(7.62)**	**-**	**30,815.02**
Changes in equity for the period ended 31st, March 2019								
Preferential issue during the year	17(i),(v)	-	-	-	-	-	-	-
Equity instruments through other comprehensive income	17(iv)	-	-	-	(4,667.31)	-	-	(4,667.31)
"Reclassified to Statement of Profit and Loss "during the year on account of redemption of preference shares"	17(iv)	-	-	-	-	-	-	-
Gains/(losses) on arising from actuarial gain/loss on gratuity	17(iv)	-	-	-	-	17.86	-	17.86
Profit for the year	17(ii)	-	3,791.20	-	-	-	-	3,791.20
Ind AS 116 Leases impact	17(ii)		(102.71)					(102.71)
Proposed dividend	17(ii)	-	(413.88)	-	-	-	-	(413.88)
Balance at 31st March, 2020		**3,026.59**	**23,818.64**	**2,762.75**	**(178.02)**	**10.24**	**-**	**29,440.18**
Changes in equity for the period ended 31st, March 2021								
Equity instruments through other comprehensive income	17(iv)	-	-	-	1,991.56	-	-	1,991.56
Gains/(losses) on arising from actuarial gain/loss on gratuity	17(iv)	-	-	-	-	21.98	-	21.98
Profit for the year	17(ii)	-	6,059.51	-	-	-	-	6,059.51
Ind AS 116 Leases impact	17(ii)	-	-	-	-	-	-	-
Proposed dividend	17(ii)	-	(429.30)	-	-	-	-	(429.30)
Balance at 31st March, 2021		**3,026.59**	**29,448.85**	**2,762.75**	**1,813.54**	**32.22**	**-**	**37,083.96**

As per our report of even date attached.
For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)
Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No: 21025266AAAADB3971
Place : Kurnool
Date : June 30, 2021

For and on behalf of the Board

Sd/-
Sri T.G.Bharath
Chairman & Managing Director

Sd/-
Smt. R. Triveni
Director

Sd/-
Smt. V.Surekha
Company Secretary

Sd/-
Sri S. Ifthekhar Ahmed
Chief Financial Officer

Place : Kurnool
Date : June 30, 2021

Notes to financial statements for the year ended 31st, March 2021

Note 1: General Information

Sree Rayalaseema Hi – Strength Hypo Limited incorporated on 28th March, 2005 it is the leading producer of Calcium Hypo Chloride, Stable Bleaching Powder, Sulphuric Acid and other chemicals.

The Company is a public limited company domiciled in India. The address off its registered office and principal place of business are disclosed in the introduction to the Annual Report. The equity shares of the Company are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The financial statements are approved for issue by the Company's Board of Director's on 30th June, 2021.

Note 2: Significant Accounting Policies

2.1 Statement of Compliance

These Financial statements are separate financial statements of the company (Also called Standalone Financial Statements)

The Standalone Financial statements have been prepared in accordance with Indian Accounting Standards (as amended) (Ind AS)as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 together with comparative period data as at the year end March, 31st 2021.

2.2 Basis of preparation and presentation of financial statements

Financial statements have been prepared on the historical cost 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.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Standalone financial statements are prepared in Indian Rupees and all values are rounded off nearest to nearest lakhs.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transaction that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36 Impairment of Assets.

The Statement of Cash Flow have been prepared in Indirect Method.

2.3 Use of estimates and judgements

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect there ported 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.

2.4 Operating cycle.

Operating cycle is the time between the acquisition of assets for processing and their in cash and cash equivalents. The company has ascertained its operating cycle as twelve months for the purpose of current/noncurrent classification of assets and liabilities.

2.5 Current and Non-Current Classification.

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of business.
- Expected to be realized with in 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.

The company classifies all the assets as noncurrent.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of business.
- 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.

The company classifies all other liabilities as noncurrent.

Deferred tax asset and liability are classified as non-current asset and liability

2.6 Critical Accounting Judgements and Key source of estimation uncertainty operating cycle:

In the application of the company's accounting policies, the management of the company are required to make judgements, estimates, and assumptions about the carrying amounts of the asset and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods in the revision effects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other. For contingent losses that are considered probable an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2017 management assessed that the useful lives represent the expected utility of the assets to the company. Further, there is no significant change in the useful lives as compared to previous year.

2.7 Functional Currency:

The Financial Statements are prepared in Indian Rupees, which is the functional currency of the company, functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts in the financial statements are stated in Indian Currency unless otherwise stated.

2.8 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange of control of the acquire. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquire or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date ; and
- Assets (or disposal Company's) that are classified as held for sale in accordance with Ind AS 105 (Non- current Assets Held for Sale and Discontinued Operations) are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Company whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Company reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment.

The Company then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Company recognises it in order comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing(as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by- transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with Ind AS 39, or Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

2.9 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the businessless accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or Companies of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unitandthen to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Company's policy for goodwill arising on the acquisition of an associate and a joint ventur.

2.10 Investments in associates and joint ventures

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.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Company's share of losses of an associate or a joint venture exceeds the Company's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate or joint venture), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

After application of the equity method of accounting, the Company determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Company's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Company retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Company measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognitionin accordance with Ind AS 109 (Financial Instruments). The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Company accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities.Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Company reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Company continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Company reduces its ownership interest in an associate or a joint venture but the Company continues to use the equity method, the Company reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Company entity transacts with an associate or a joint venture of the Company, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Company's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Company.

2.11 Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets and disposal Company's 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 Company 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 Company's), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/ distribution of the asset or disposal Company to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal Company),
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset (or disposal Company) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

  Non-current assets held for sale/for distribution to owners and disposal Company's 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 Company 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 30. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

2.12 Revenue Recognition

Effective 1st 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 replaced 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.

2.13 Leasing

Ind AS 116 'Leases' was notified on 30th March, 2019 and it replaces Ind AS 17 'Leases', including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1st 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 commencement date of a lease, a lessee will recognize 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 recognize 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 amortized cost using the effective interest method.

Subsequently the company measures the lease liability by increasing the carrying the amount to reflect the interest on the lease liability; reducing the carrying amount of 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

2.14 Foreign currencies

In preparing the financial statements of each individual Company entity, transactions in currencies other than the entity'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;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these financial statements, the assets and liabilities of the Company's foreign operations are translated into Currency Units using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non- controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Company losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

2.15 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.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

2.16 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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 recognised 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.

2.17 Employee benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Remeasurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item ‘Employee benefits expense’. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Company’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the entity reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the entity [reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19

Share-based payment arrangements

<u>Share-based payment transactions of the Company</u>

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

2.18 Taxation

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 consolidated [statement of profit or loss and other comprehensive income/ statement of profit or 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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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.

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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.19 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated Balance Sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation 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.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Company as elected to continue with the carrying value of all of its property, plant and equipment recognised as of 01.04.2016(Transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and 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 aprospective 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 asunder 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.:

- Thermal power plant – 8years
- New Hypo Plant – 6 years

2.20 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of its investment property recognised as of 01.04.2016 (transition date) measured as per the previous GAAP and used that carrying value as its deemed cost as of the transition date.

2.21 Intangible assets

<u>Intangible assets acquired separately</u>

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquiredseparately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 01.04.2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.22 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash- generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash- generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.23 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Carrying value of inventories pledged as securities against loans are disclosed.

2.24 Provisions and contingencies

Provisions

A Provision is recognised when the company has a present obligation(legal or constructive) as a result of past event i.e., it is probable that an outflow of resources embodying economic benefits 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 reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Contingent liabilities and assets are not recognised in financial statements. A disclosure of the contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.

2.25 Financial Instruments

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

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 (FVTPL), transaction costs that are attributable to the acquisition of financial asset. Purchase or sales of financial assets that requires delivery of asset within the time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset

Subsequent Measurement

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

- Debt instruments at amortised cost
- Equity instruments measured at FVTPL

  Debt instruments at amortised cost

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for

  Collecting contractual cash flows, and
- 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.

After initial measurement, 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 Statement of Profit and Loss.

Debt instruments included within the FVTOCI category are measured at amortised initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

Equity instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL, category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

2.26 Earning per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.27 Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segments' and the company has disclosed only two reportable segments namely (i) Chemical Manufacturing and (ii) Power Generation. Further, the Board of directors have designated the Managing Director as Chief Operating Decision Marker ('CODM').

2.28 Cash flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the

Effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.29 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.

Allowance for expected credit losses:

Note 2(I) 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:

Contingent liabilities are 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.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)

(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	land	Factory Buildings	Furniture and fixtures	Wind Power Plants	Plant and machinery	Other Assets	Total	Right to Use Asset
GROSS BLOCK								
Closing gross carrying amount as at 31st March, 2019	**5,315.39**	**3,432.73**	**196.38**	**7,407.72**	**21,619.64**	**951.67**	**38,923.53**	**609.06**
Additions	258.80	68.00	0.46	-	-	198.92	526.18	628.34
Disposals	-	-			-5.70	-90.03	-95.73	0
Reclassified to Investment in Note No. 4 of Balance sheet	-2,375.00							0
Closing gross carrying amount as at 31st March, 2020	3,199.19	3,500.73	196.84	7,407.72	21,613.94	1,060.56	36,978.98	1237.40
Additions	1,951.64	-	-	-	305.49	48.05	2,305.18	-
Disposals	-	-	-	-	-	-	-	-
Reclassified to Investment in Note No. 4 of Balance sheet	-							
Closing gross carrying amount as at 31st March, 2021	**5,150.83**	**3,500.73**	**196.84**	**7,407.72**	**21,913.73**	**1,108.61**	**39,284.16**	**1,237.40**
ACCUMULATED DEPRECIATION							-	
Closing Accumulated depreciation as at 31st March, 2019	-	2,025.55	99.62	4,850.65	11,757.70	751.82	19,485.34	-
Depreciation charge during the year 19-20	-	432.27	45.49	1,145.10	2,992.27	217.67	4,832.80	194.56
Disposals during the year 19-20						-69.89	-69.89	0.00
Closing Accumulated depreciation as at 31st March, 2020	-	2,457.82	145.11	5,995.75	14,749.97	899.60	24,248.25	194.56
Depreciation charge during the year 20-21	-	432.27	45.49	1,145.10	3,181.65	69.96	4,874.47	186.29
Disposals during the year 20-21								
Closing Accumulated depreciation as at 31st March, 2021	-	2,890.09	190.60	7,140.85	17,93162	969.56	29,122.72	380.85
NET BLOCK								
Net Carrying amount as at 31st March, 2020	**3,199.19**	**1,042.91**	**51.73**	**1,411.97**	**6,863.97**	**160.96**	**12,730.73**	**1042.84**
Net Carrying amount as at 31st March, 2021	**5,150.83**	**610.64**	**6.24**	**266.87**	**3,987.82**	**139.05**	**10,161.44**	**856.55**

Capital work-in-progress:

Particulars	Civil work in progress	Machinery under erection
As at 31st March, 2020	-	305.49
As at 31st March, 2021	-	44.49

a) Title to some of the properties acquired by the Company under Scheme of Arrangement are in the process of being transferred in the Company's name.

b) During Financialy Year 2018-19, the Company has undertaken a technical study to analyze the future working of various machineries in the present prevailing environment and working condition, based on this study, the useful life of some of the assets are revised with effect from 01.04.2018.

c) The land, Building and Plant & Machinery have been secured by a charge in favour of Lending Bank.

d) The vehicles have been hypothicated in favour of banks who have lended against these vehicles. The Company is not allowed to create further charge on these assets as security for other borrowings or to sell this to other entities.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

NOTE 4: INVESTMENT PROPERTY

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Cost or Deemed Cost		
Opening gross amount	**2,375.00**	-
Additions	-	2,375.00
Disposal	-	-
Closing gross amount	**2,375.00**	2,375.00
Accumulated depreciation		
Opening accumulated depreciation	-	-
Depreciation charge	-	-
Depreciation reversed on disposal	-	-
Closing accumulated depreciation	-	-
Net carrying amount	**2,375.00**	2,375.00

	As at 31st, March, 2021	As at 31st, March, 2020
Fair value of Investment properties	**5,099.22**	5,099.22

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:

(i) current prices in an active market for properties of different nature

(ii) 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.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)

(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

NOTE 5: FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Investments in equity instruments at fair value through other comprehensive income (fully paid)		
1. Investment in Wholly owned Subsidary Company		
Unquoted and Fully Paid Up		
Investment with TGV Sodium & Electrolite Private Limited	11.00	1.00
1,10,000 (March 31, 2020:10,000)Equity shares of Rs.10/- each		
1.1. MV Salts and Chemicals Private Limited	566.14	-
1200000 (March 31,2020:Nil) Equity shares of Rs.10/-each		
2 Investments in Other Companies		
Quoted and Partly Paid Up		
Quoted and Fully Paid Up		
Trade TGV SRACC Ltd* (see note below)	3,593.31	1,694.69
2,05,44,496 (March 31, 2020:2,05,44,496) Equity shares of Rs.10/- each		
(15,000 shares pledged as security)		
Non-Trade The South Indian Bank Ltd	43.97	30.59
7,07,000 (March 31, 2020:7,07,000) Equity shares of Rs.10/- each		
Non-Trade Roopa Industries Ltd	96.37	107.53
13,72,455 (March 31, 2020:13,72,455) Equity shares of Rs.10/- each		
Non-Trade Kabson Industries Ltd	0.52	0.27
10,100 (March 31, 2020:10,100) Equity shares of Rs.10/- each		
Non-Trade Karnataka Bank Ltd	2.12	1.60
3,700 (March 31, 2020:3,700) Equity shares of Rs.10/- each		
Non-Trade Lotus Chcolates Ltd	7.25	5.30
56,800 (March 31, 2020:56,800) Equity shares of Rs.10/- each		
Non-Trade NEPC Micon Ltd	0.01	0.02
200 (March 31, 2020:200) Equity shares of Rs.10/- each		
Non-Trade BNR Udyog Ltd	0.01	0.05
500 (March 31, 2020:500) Equity shares of Rs.10/- each		
Non-Trade Consom Biotech Ltd	0.01	0.02
300 (March 31, 2020:300) Equity shares of Rs.10/- each		
Non-Trade Neha International Ltd	0.01	0.01
1,700 (March 31, 2020:1,700) Equity shares of Rs.10/- each		
Non-Trade Indo Wind Energy Ltd	3.05	2.40
42,000 (March 31, 2020:42,000) Equity shares of Rs.10/- each		
Non-Trade Nazara Technologies Ltd		
469 (March 31, 2020:Nil) Equity share of Rs. 10/ each	6.44	-

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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	Quoted and Partly Paid Up		
	Surya Jyothi Spinning Mills Ltd	**0.01**	0.01
	100 (March 31, 2020:100) Equity shares of Rs.10/- each		
	Total of Equity Instruments	**4,330.22**	1,843.49
3.	Investment in Government securities (at amortised cost)		
	Unquoted		
	National Saving Certificates	**0.10**	0.10
	Total of Government securities	**0.10**	0.10
4.	Venture Capital Funds		
	IIFL Wealth Finance Ltd	**175.00**	-
	Blume Ventures Fund 1X	**325.00**	-
	TVS Shriram Growth Fund 3	**215.00**	-
	Total Venture capital fund	**715.00**	**-**
	Total non-current investments (1+2+3)	**5,045.32**	1,843.59
	Aggregate amount of quoted investments at market value thereof	**3,753.08**	1,842.49
	Aggregate amount of un-quoted investments	**577.24**	1.10
	Aggregate amount of venture capital Funds	**715.00**	-
	Aggregate amount of impairment in the value of investments	**-**	-

* * The Company has 19.18% (as at 31 March 2020: 20.19%) holding in equity share capital of M/s TGV SRAAC LTD Ltd. It is clearly demonstrated by an agreement that there will not be any participation by the Company for voting in any policy-making/decision making processes of TGV SRAAC Ltd and also the holding of the Company in TGV SRAAC LTD is reduced to below 20%. As evidenced by such understandings, the Company does not exercise any control or have significant influence over the TGV SRAAC Ltd. Hence investment in TGV SRAAC Ltd is not considered as an associate of the Company for accounting investment under equity method under Ind-AS 28 "Investments in Associates and Joint Ventures".

NOTE 6: OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Security Deposits with Government departments	**28.34**	28.12
Rental deposits	**34.25**	227.94
Rental deposits to related parties	**369.88**	160.00
Total	**432.47**	416.06

NOTE 7: OTHER NON-CURRENT ASSETS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Capital Advances	**1,013.95**	1,009.32
Total	**1,013.95**	1,009.32

Notes to financial statements for the year ended 31st March, 2021(Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)
Standalone

NOTE 8: INVENTORIES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Raw Materials	1,576.41	611.98
Work-in-progress	87.15	197.54
Finished Goods	1,577.43	1,251.66
Stores and spares,Chemicals,fuel and packing materials	670.76	1,216.76
Goods in transit	58.89	392.89
Total	**3,970.65**	3,670.83

NOTE 9: TRADE RECEIVABLES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Unsecured and considered good*	9,660.33	8,203.01
Unsecured and considered doubtful	67.29	31.43
	9,727.62	8,234.44
Expected Credit Loss Allowance (allowance for bad anddoubtful debts)**	(67.29)	(31.43)
Total	**9,660.33**	8,203.01

The Average credit period on sales is 60 days

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 :

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Before accepting any new customer, the company uses an external credit scoring system and other potential information to assess the customer credit quality and defines credit limit. The limit and scoring attributable to customer are reviewed periodically.

Expected credit loss

Aging :	As at 31st, March, 2021	As at 31st, March, 2020
With credit period	0.00%	0.00%
Upto 60 days past due	0.25%	0.25%
61-90 days past due	0.50%	0.50%
91-180 days past due	0.75%	0.75%
more than 180 days past due	1.00%	1.00%

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)
Standalone

NOTE 9 : Trade receivables (Cont..)

Aging of receivables

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
With credit period	4,125.74	3,468.91
Upto 60 days past due	1,952.34	1,791.52
61-90 days past due	836.42	1,076.69
91-180 days past due	996.87	886.67
more than 180 days past due	1,816.25	1,010.66
Total trade receivables (before impairment allowance)	**9,727.62**	8,234.45

Movement in Expected Credit Loss Allowance :

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Balance at beginning of the year	31.43	26.25
"Movement in Expected Credit Loss Allowance on trade receivables"calculated at lifetime expected credit losses"	35.86	5.18
Balance at end of the year	**67.29**	31.43

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

NOTE 10: CASH AND CASH EQUIVALENTS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Balances with banks		
in Current Account	681.44	4,155.73
Cash on hand	4.07	8.24
Total	**685.50**	4,163.97

NOTE 11: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
LC-Margin deposit with bank	12,977.94	4,324.37
Balances with banks in Current Account earmarked for dividend	189.81	153.16
Total	**13,167.75**	4,477.53

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)
Standalone

NOTE 12: LOANS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Loans/advances to Employees	**77.02**	83.31
Total	**77.02**	83.31

NOTE 13: OTHER FINANCIAL ASSETS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Other deposits	**284.52**	291.60
Insurance claim receivable	**3.33**	3.33
Total	**287.86**	294.93

NOTE 14: CURRENT TAX LIABILITY/(ASSET) (NET)

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Current tax Asset	**-**	-
Total	**-**	-

NOTE 15: OTHER CURRENT ASSETS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Amounts receivable and tax advances	**565.44**	2,043.78
Advance to related parties	**2,794.83**	1,132.75
Advance to Others	**68.69**	270.92
Prepaid Expenses	**55.21**	121.55
Export incentives receivable	**79.97**	298.60
Total	**3,564.14**	3,867.60

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

NOTE 16: EQUITY SHARE CAPITAL

	Particulars	As at 31st, March, 2021	As at 31st, March, 2020
(a)	**Authorised :** 4,90,00,000 Equity shares of Rs.10/- each (as at 31st March 2020 4,90,00,000 Equity shares of Rs.10/- each)	**4,900.00**	4,900.00
(b)	**Issued:** 1,71,64,821 Equity shares of Rs.10/- each issued (as at 31st March 2020 1,71,64,821 Equity shares of Rs.10/- each issued)	**1,716.48**	1,716.48
(c)	**Subscribed and fully paid** 1,71,64,821 Equity shares of Rs.10/- each fully paid (as at 31st March 2020 1,71,64,821 Equity shares of Rs.10/- each issued)	**1,716.48**	1,716.48

Reconciliation of the number of equity shares outstanding

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
At the beginning of the year	**171.65**	171.65
Add: Issued during the year	**-**	-
At the end of the year	**171.65**	171.65

Terms/ rights attached to equity shares

"The company has only one class of equity shares having par 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 March 31, 2021		As at March 31, 2020	
	No.of shares	% of holding	No.of shares	% of holding
Gowri Gopal Hospitals Pvt Ltd	3668639	21.37%	3668639	21.37%
Sree Rayalaseema Galaxy Projects Pvt Ltd	1513989	8.82%	1513989	8.82%
TGV Projects and Investments Pvt Ltd	2405383	14.01%	2405383	14.01%

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

NOTE 17: OTHER EQUITY

Particulars		As at 31st March, 2021	As at 31st March, 2020
Share premium	(i)	3,026.59	3,026.59
Retained earnings	(ii)	29,448.85	23,818.64
Other reserve	(iii)	2,762.75	2,762.75
Reserve for other comprehensive income items	(iv)	1,845.77	(167.78)
Money received and outstanding against share warrants	(v)	-	-
Total		**37,083.96**	29,440.20

Reserves and Surplus

(i) Share premium Reserve	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	3,026.59	3,026.59
Add: Addition on preferential issue during the year	0.00	0.00
Closing Balance	**3,026.59**	3,026.59

(ii) Retained earnings	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	23,818.64	20,544.02
Lease rents	-	(102.71)
Net profit for the period	6,059.51	3,791.20
Payment of Dividend and Dividend distribution tax (F.Y. 2019-20)	(429.30)	(413.87)
Closing balance	**29,448.85**	23,818.64

(iii) Other Reserve	As at 31st March, 2021	As at 31st March, 2020
General Reserve	334.09	334.09
Amalgmation Reserve	2,428.67	2,428.67
Closing balance	**2,762.75**	2,762.75

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

(iv) Reserve for other comprehensive income items

	Particulars	As at 31st March, 2021	As at 31st March, 2020
(a)	**Change in fair value of FVOCI equity & preference instruments (Net of taxes)**		
	- Balance at the beginning of the year	**(178.02)**	4,489.29
	- Net gains/(losses) on FVTOCI securities during the year	**1,991.56**	(4,667.31)
	- Reclassed to Statement of Profit and Loss during the year	-	-
	Closing balance (a)	**1,813.54**	(178.02)
(b)	**Other Comprehensive income arising from actuarial gain/loss on defined benefit obligation (Net of taxes)**		
	- Balance at the beginning of the year	**10.24**	(7.62)
	- Gains/(losses) on arising from actuarial gain/loss on gratuity	**21.98**	17.86
	Closing balance (b)	**32.22**	10.24
Total (a) + (b)		**1,845.77**	(167.78)

(v) Money received against warrants

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	-	-
Money received against share warrants	-	-
Money used for alloting of Shares issued during the year	-	-
Closing balance	-	-

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.

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.

FVTOCI intruments

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

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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NOTE 18: BORROWINGS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
A. Non-current borrowings		
Secured		
Term Loans		
From banks	-	-
For vehicles from bank	51.10	94.38
Total taken to Non Current Liabilities in Balance Sheet	51.10	94.38
B. Current borrowings		
Secured		
Working capital demand loans	6,065.17	3,860.63
Total taken to Current Liabilities in Balance Sheet	6,065.17	3,860.63

There is no default as at 31st March, 2021, 31st March 2020 in repayment of loans and interest payments on Banks.

Terms of Repayment

	Particulars	As at 31st, March, 2021	As at 31st, March, 2020
A.	**Term Loans**		
(a)	Monthly EMI of 39,50,000/- payable up to Feb,2021, ROI @ MCLR +“ 3.75%(Spread)"	0.00	546.64
(b)	Monthly EMI of 8,172/- payable up to Nov,2025, ROI @ MCLR“ +_0.85%(Spread)"	3.68	4.28
B.	**Vehicle Loans**		
	(a) EMI of 77,258/- payable up to Feb,2021, ROI @ 9.60%	0.00	8.24
	(b) EMI of 2,00,520/- payable up to Jul,2021, ROI @ 9.36%	0.00	30.05
	(c) EMI of 20,580/- payable up to Apr,2020, ROI @10.25%	0.00	0.20
	(d) EMI of 17,951/- payable up to Aug,2021, ROI @ 10.25%	0.00	1.05
	(e) EMI of 21,021/- payable up to Sep,2021, ROI @ 10.25%	0.00	1.42
	(f) EMI of 1,07,760/- payable up to Jun,2020, ROI @ 8.50%	0.00	3.19
	(g) EMI of 1,94,635/- payable up to Jun,2024, ROI @ 8.50%	65.6	82.2

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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Security

(a) The term loan from banks are secured by exclusive charge on specific fixed assets

(b) The loan repayable on demand from banks are cash credits, bills purchases, discountings, letter of credits limits and bank guarantees are secured by Hypothecation of Raw-material, Stock in process, Finished goods, consumable Spares, Book debts and receivables

(c) The working capital and Term loans from banks are also secured by first and second charge on some of the fixed assets of the company.

(d) The working capital and Term loans are further secured by guarantee from Managing Director and a promoter in individual capacities

NOTE 19: OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Security deposits from customers	**177.99**	127.99
Total	**177.99**	127.99

NOTE 20: LEASE LIABILITY

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Lease Liability (Refer Note.44)	**845.16**	928.05
Total	**845.16**	928.05

The above Lease Liability is calculated in compliance of new IND AS 116 Leases which is notified with effet from 01.04.2019. Separate Note No.44 is enclosed disclosing details of its recognition and measurement.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

NOTE 21: DEFERRED TAX LIABILITY

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
The balance comprises temporary differences attributable to:		
Deferred tax liabilities		
Property, plant and equipment	**-**	758.16
Unwinding of interest on assets discounted	**6.15**	(4.87)
Deferred government grant	**(5.15)**	11.04
Provision for gratuity	**12.55**	5.16
Less:		
Deferred tax assets		
Property, plant and equipment	**(277.40)**	-
Borrowing costs measured at amortised cost	**7.68**	(2.91)
Provision for Expected Credit Loss (ECL)	**1.30**	(5.89)
MAT Credit entitlement	**(294.84)**	(294.84)
Net deferred tax liability	**(549.71)**	465.85

Reconciliation of net deferred tax liabilities

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Opening balance as at the beginning of the year	**465.85**	1,718.00
Recognised in Statement of profit and loss during the period	**(1,022.96)**	(1,258.16)
Recognised in Other comprehensive income during the period	**7.39**	6.01
Closing balance as at end of the year	**(549.71)**	465.85

NOTE 22: GOVERNMENT GRANTS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Capital subsidy	**95.95**	101.95
Closing balance	**95.95**	101.95

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

NOTE 23: LONG-TERM PROVISIONS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Provision for Gratuity	**84.27**	98.08
Total	**84.27**	98.08

NOTE 24: TRADE PAYABLES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Micro, Small and Medium Enterprieses (Refer Note 48)	**261.93**	143.31
Others	**941.50**	2,355.91
Total	**1,203.43**	2,499.22

NOTE 25: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Secured		
From Banks (Current maturities of long term debt*)	**18.19**	582.93
UnSecured		
Others		
Trade payables for capital assets	**95.19**	95.19
Unpaid dividend	**189.81**	153.16
Security deposits - others	**92.49**	82.51
Dealers commission payable	**461.28**	167.19
Overseas commission	**14.59**	58.99
Payable towards services availed	**774.31**	341.58
Others	**16.04**	15.21
Total	**1,661.90**	1,496.76
*Represents repayments falling due in next twelve months.		
Lease liabililty (Refer Note.44)	**171.48**	257.18
	171.48	257.18

NOTE 26: OTHER CURRENT LIABILITIES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Advances from customers	**1,654.60**	1,730.22
Statutory Dues	**200.12**	143.96
Total	**1,854.73**	1,874.18

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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NOTE 27: SHORT-TERM PROVISIONS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Employee benefits	**94.84**	95.49
Total	**94.84**	95.49

NOTE 28: CURRENT TAX LIABILITY/(ASSET) (NET)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current tax liability		
Provision for income tax	**7,325.04**	4,274.88
Current tax asset		
Tax deducted at source & Advance tax	**(6,539.32)**	(2,847.13)
Closing balance liability/(asset) (Net)	**785.72**	**1,427.75**

NOTE 29: REVENUE FROM OPERATIONS

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Sale of Manufactured Products (Net of Returns / Reversals)	**57,221.75**	55,433.53
Trading sales	**30,398.16**	9,707.26
Sale of Energy	**3,245.88**	3,111.04
Other operating revenue		
Sale of Scrap	**149.21**	172.35
Export Incentives	**67.52**	486.04
Total	**91,082.52**	68,910.22

NOTE 30: OTHER INCOME

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Insurance claim received	**72.57**	0.00
Net gains/(losses) on FVTPL instruments	**15.32**	10.49
Interest on Bank and other deposits and customers	**396.21**	182.19
Lease Rent Receipts	**48.40**	23.58
Unwinding of interest on assets discounted	**34.32**	21.13
Profit on sale of investments/assets	**-**	1.00
Deferred government grant income	**6.00**	6.00
Gain on foregin exchange transaction and translation	**78.13**	106.48
Other non operaing Incomes	**12.27**	40.82
Total	**663.21**	391.69

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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NOTE 31: COST OF MATERIALS CONSUMED

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of raw materials	**25,955.02**	28,426.82
Consumption of stores,spares,Chemicals & Packing Materials	**8,535.65**	5,910.11
Total	**34,490.67**	34,336.93

NOTE 32 : PURCHASE OF STOCK IN TRADE

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Purchase of stock-in-trade	**28,585.60**	9,931.63
Total	**28,585.60**	9,931.63

NOTE 33: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Closing Stock		
Finished Goods	**1,636.32**	1,644.55
Stock-in-process	**87.15**	197.54
Total Closing Stock	**1,723.48**	1,842.09
Opening Stock		
Finished goods	**1,644.55**	1,097.71
Stock-in-process	**197.54**	134.01
Total Opening Stock	**1,842.09**	1,231.72
Total changes in inventories of stock-in-process and finished goods	**(118.61)**	610.37

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

NOTE 34: EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries, Wages,Bonus and Allowances	**1,865.66**	1,692.47
Contribution to ESI & Provident Fund	**61.30**	68.21
Staff Welfare expenses	**441.49**	492.05
TOTAL	**2,368.45**	2,252.73

NOTE 35: FINANCE COST

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expenses		
On Term loans	**20.78**	101.10
On Working capital Loans/Cash credits	**8.23**	51.03
Bank Charges	**115.18**	147.52
Others	**314.75**	613.59
lease liability	**88.62**	103.24
Total	**547.56**	1,016.48

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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NOTE 36: OTHER EXPENSES

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Repairs & Maintenance		
a) Buildings	**1,620.66**	2,028.26
b) Plant & Machinery	**2,010.25**	1,960.44
c) Others	**335.37**	190.40
Insurance	**315.54**	176.81
Rents	**47.07**	32.25
Travelling and conveyance	**78.12**	188.84
Printing and stationery	**7.33**	23.56
Postage Telegrams and Telephones	**26.73**	36.07
Freight outward & Incidental Expenses	**5,029.51**	5,936.33
Remunaration to Managing Director	**176.45**	0.00
Commission on sales	**630.70**	246.14
Advertisement	**1.68**	16.66
Audit fees & Expenses		
Statutory audit fees	**2.00**	2.00
Out of pocket expenses	**0.06**	0.16
Tax audit fees	**1.00**	1.00
Cost audit fees	**0.70**	0.50
Secraterial audit fees	**0.70**	0.80
Security & other Service Charges	**1,197.45**	822.59
Legal Expenses	**6.95**	15.94
Power and Fuel	**29.85**	35.06
Other Expenses	**715.10**	847.13
Corporate Social Responsibility Expenses	**100.64**	95.74
Expected Credit Loss allowance	**35.86**	5.18
Amortization of prepaid lease expense	**0.00**	20.32
Other Selling expenses	**117.68**	120.06
Total	**12,487.38**	12,802.24

Disclosure relating to Corporate Social Responsibility (CSR)

1. As As per Section 135 read with the Companies Act, 2013, the amount required to be spent towards CSR Norms amount to Rs.83.11 Lakhs for the Financial Year 2020-21 (based on 2% of average net profits of the preceeding three financial years). The Board of Directors allocated total budget of Rs. 83.11 Lakhs for the Financial year 2020-21, against which the company has spent Rs. 100.64 lakhs during current year. An amount of Rs. Nil remained unspent.

2. **Break up of CSR expenditure under various heads of expenses is as below:**

S.No.	Naure of expenses constituting CSR expenditure	Spent for the Year ended	
		31.03.2021	31.03.2020
1	Health care sanitation	**80.14**	0.00
2	Education & Skill Development	**1.85**	12.00
3	Women empowerment/seniour citizen	**0.00**	5.00
4	Environment	**Nil**	Nil
5	Art & Culture	**Nil**	Nil
6	Ex - armed forces	**Nil**	Nil
7	Sports	**Nil**	Nil
8	National welfare Fund	**Nil**	Nil
9	Rural development	**Nil**	Nil
10	capacity Building	**Nil**	Nil
11	Swacch Bharat abhiyan	**Nil**	Nil
12	Drinking water to people of nearby areas	**5.55**	36.03
13	Animal Welfare	**13.10**	42.70
	Total	**100.64**	95.73

Notes to financial statements for the year ended 31st March, 2021(Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

3. Unspent amount

S.No.	Particulars	For the year ended 31.03.2021	31.03.2020
1	Unspent (over spent)amount of ealier years	**-33.25**	Nil
2	Liability for the current year	**83.11**	62.48
3	Amount spent during the year	**100.64**	95.73
	Amount un spent/(over spent)	**-50.78**	-33.25

NOTE 37: TAX EXPENSES

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Income tax expense		
Current tax on profits for the year	**3,050.15**	2,011.86
Earlier year tax adjustment	**-**	-
Total current tax expenses	**3,050.15**	2,011.86
Deferred tax		
Decrease/(Increase) in deferred tax assets	**(755.93)**	(2.05)
(Decrease)/Increase in deferred tax liabilities	**(259.63)**	(1,250.10)
Total Deferred tax expense/(benefit)	**(1,015.56)**	(1,252.15)
Recognised in Other comprehensive income	**7.39**	6.01
Income tax expenses	**2,027.18**	753.70

The income tax expense for the year can be reconciled to the accounting profit as follows:

Tax under normal provisions of Income tax act, 1961:

	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
	Net profit before taxes	**8,086.70**	4,544.90
	Exceptional items	**-**	-
(A)	Total Net profit before taxes	**8,086.70**	4,544.90
(B)	Applicable tax rate under normal provisions	**25.17%**	25.17%
(C)	Tax payable under under provisions as per applicable rate “= (A*B)"	**2,035.26**	1,143.95
(D)	Increase/decrease in tax on account of :		
	Depreciation as per books	**1,273.79**	1,265.39
	Depreciation as per income tax act, 1961	**(284.15)**	(417.74)
	Expenses disallowed	**25.25**	24.79
	Section 43B	**-**	(4.48)
	Ind AS adjustments	**-**	(0.05)
	Tax as per normal provision under Income Tax (C+D)	**3,050.15**	2,011.86
	Tax under provisions of MAT:		

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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NOTE 37: TAX EXPENSES (Contd..)

	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
	Net profit before taxes	**8,086.70**	4,544.90
	Exceptional items	**-**	-
(A)	Total Net profit before taxes	**8,086.70**	4,544.90
(B)	Applicable tax rate under MAT provisions	**17.47%**	17.47%
(C)	Tax payable under under provisions as per applicable rate " = (A*B)	**1,412.91**	794.08
(D)	Increase/decrease in tax on account of :		
	Exempt income	**-**	-
	Dimunition in value of asset	**6.27**	0.90
	1/5 of the transition amount u/s 115JB (2C)	**0.53**	0.53
	Redemption of preference shares effect	**-**	-
	Tax as per MAT provisions under Income Tax (C+D)	**1,419.70**	795.51
	Income tax expense recognised in statement of profit and loss at effective rate of 37.72% (31 March, 2020: 44.27%) (Tax as per normal provisions or Tax as per MAT provisions whichever is higher)	**3,050.15**	2,011.86

NOTE 38: OTHER COMPREHENSIVE INCOME (OCI)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Re-measurement gains/(losses) on defined benefit plan	**29.37**	23.87
Tax effect on gains/(losses) on defined benefit plan	**(7.39)**	(6.01)
Net gains/(losses) on FVTOCI equity securities	**2,661.38**	(6237.04)
Tax effect on FVTOCI equity securities	**(669.82)**	1569.74
Total	**2,013.55**	(4649.44)

NOTE 39: EARNING PER SHARE (EPS)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Basic Earning per Share		
Net Profit After Tax available for Equity Shareholders	**6059.51**	3791.20
Weighted Average Number of Equity Shares of Rs.10/- each	**171.65**	171.65
Basic Earning per Share	**35.30**	22.09
Diluted Earning per Share		
Weighted Average Number of Equity Shares **of Rs.10/- each**	**171.65**	171.65
Diluted Earning per Share	**35.30**	22.09

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

NOTE 40: FAIR VALUE MEASUREMENTS

Financial Instruments by category

The carrying value of financial instruments by categories as of March 31, 2021 is as follows :

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Investments				
Equity instruments	-	4,319.22	11.00	4,330.22
Government securities	-	-	0.10	0.10
Venture capital funds	715.00	-	-	715.00
Trade receivables	-	-	9,660.33	9,660.33
Cash and cash equivalents	-	-	685.50	685.50
Bank balances other than Cash and cash equivalents	-	-	13,167.75	13,167.75
Loans			77.02	77.02
Other financial assets	-	-	720.33	720.33
Total Financial assets	**715.00**	**4,319.22**	**24,322.02**	**29,356.24**
Financial liabilities				
Borrowings	-	-	6,116.27	6,116.27
Trade payables	-	-	1,203.43	1,203.43
Other financial liabilities	-	-	1,839.90	1,839.90
Total Financial liabilities	**-**	**-**	**9,159.59**	**9,159.59**

The carrying value of financial instruments by categories as of March 31, 2020 s as follows :

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Investments				
Equity instruments	-	1,842.49	1.00	1,843.49
Government securities	-	-	0.10	0.10
Venture capital funds	-	-	-	-
Trade receivables	-	-	8,203.01	8,203.01
Cash and cash equivalents	-	-	4,163.97	4,163.97
Bank balances other than Cash and cash equivalents	-	-	4,477.53	4,477.53
Loans	-	-	83.31	83.31
Other financial assets	-	-	710.99	710.99
Total Financial assets	**-**	**1,842.49**	**17,639.91**	**19,482.40**

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

Note 40 : Fair value measurements (Contd...)

a) Financial Instruments by category

The carrying value of financial instruments by categories as of March 31, 2020 is as follows :

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial liabilities				
Borrowings	-	-	3,955.01	3,955.01
Trade payables	-	-	2,499.23	2,499.23
Other financial liabilities	-	-	1,624.75	1,624.75
Total Financial liabilities	**-**	**-**	**8,078.99**	**8,078.99**

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 2021:

Fair value measurement using	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTOCI				
Investment in quoted equity instruments	4,319.22	-	-	4,319.22
Investment property	-	5,099.22	-	5,099.22
Total Financial assets	**4,319.22**	**5,099.22**	**-**	**9,418.44**

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2020:

Fair value measurement using	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTOCI				
Investment in quoted equity instruments	1,842.49	-	-	1,842.49
Investment property	-	5,099.22	-	5,099.22
Total Financial assets	1,842.49	5,099.22	-	6,941.71

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.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated) **Standalone**

NOTE 41: 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 is not subject to any externally imposed capital requirements. "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 to capture market opportunities at minimum risk.

Gearing ratio

The Company monitors its capital using gearing ratio as given below:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total Debt*	**69.29**	**677.31**
Equity share capital	**1,716.48**	1,716.48
Other equity	**37,083.96**	29,440.20
Total equity	**38,800.44**	**31,156.68**
Total debt to Total equity ratio	**0.00**	**0.02**

*Total Debt is defined as secured long-term including current maturities of borrowings.

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 Cheif Financial Officer (CFO) 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 CFO, 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 equity securities are susceptible to price risk arising from uncertainities about future value of the investment secutities. The Company's non-current

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated) **Standalone**

41. Capital Management & Risk management (Cont..)

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.

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$. 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 veiw 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 reporting period. The same at the end of the reporting period are as follows

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Currency	Amount in FC	Currency	Amount in FC
Receivables for export	USD	22.10	USD	33.38
Payables for imports	USD	67.49	USD	72.92

Foreign Currency Sensitivity Analysis

The Company is mainly exposed to US Dollor.

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.

	As at 31st March, 2021	As at 31st March, 2020
	Impact on profit before tax	
USD Sensitivity		
Impact due to increase by 5%	(166.82)	(149.04)
Impact due to decrease by 5%	166.82	149.04

Interest Rate Risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial intruments 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. The Company manages by having a balanced portfolio of variable and fixed interest rate borrowings.

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:

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

41. Capital Management & Risk management (Cont..)

	As at 31st March, 2021	As at 31st March, 2020
Impact on profit before tax		
Increase/decrease in base points		
50 base points higher	(0.02)	(2.75)
50 base points lower	0.02	2.75

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 letters of credit 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 letters of credit or against advance receipts. (refer Note No.9 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.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated) **Standalone**

Financing arrangements

The table below provides details regarding the remaining contractual maturities of financial liabilities as at reporting date

Particulars	On demand	< 1 year	1 - 5 years	5 + years	Total
As at 31st March, 2021					
Bank borrowings	-	-	51.10	-	51.10
Others - Security deposits	177.99	-	-	-	177.99
Total non-current financial liabilities	177.99	-	51.10	-	229.09
Current borrowings	-	6,065.17	-	-	6,065.17
Trade payables	-	1,203.43	-	-	1,203.43
Other current financial liabilities	-	1,661.90	-	-	1,661.90
Total current financial liabilities	-	8,930.50	-	-	8,930.50
Total	**177.99**	**8,930.50**	**51.10**	**-**	**9,159.59**
As at 31st March, 2020					
Bank borrowings	-	-	94.38	-	94.38
Others - Security deposits	127.99	-	-	-	127.99
Total non-current financial liabilities	127.99	-	94.38	-	222.37
Current borrowings	-	3,860.63	-	-	3,860.63
Trade payables	-	2,499.23	-	-	2,499.23
Other current financial liabilities	-	1,496.76	-	-	1,496.76
Total current financial liabilities	-	7,856.62	-	-	7,856.62
Total	**127.99**	**7,856.62**	**94.38**	**-**	**8,078.99**

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 Sensitivity analysis	Natural hedging
Borrowings with floating interest rates	Market risk - interest rate	Sensitivity analysis	Balanced variable and fixed interest rates
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

42. CONTINGENT LIABILITIES AND COMMITMENTS:
(to the extent not provided for)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Contingent Liabilities		
a) Claims against company not acknowledged as debts	**4.29**	96.72
b) Guarantees issued by banks on behalf of the company and outstanding at end of the year	**124.37**	168.94
Commitments		
a) Consumers cheques / bills discounted with Banks	**0.00**	0.00
b) Unexpired Letters of Credit established by the Company	**5509.07**	6000.00

Notes to financial statements for the year ended 31st March, 2020 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

43. EMPLOYEE BENEFITS:

A) Defined Contribution Plans

Employees contribution to provident fund and Employees state insurance are recognized as expenditure in statement of profit and loss account, as they are incurred. There are no other obligation other than the contribution payable to aforesaid respective Trust/ Government Authorities

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 recognised in financial statements as per Acturial Valuation:

	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
1.	**Changes in present value of Obligations**		
	Present value at the beginning of the year	**240.20**	221.71
	Interest cost	**15.74**	7.20
	Current Service Cost	**19.78**	37.96
	Cost PSC - Vested	**0.00**	0.00
	Benefits paid	**(12.71)**	(7.12)
	Actuarial (gain)/loss on obligations	**16.57**	0.34
	Present value at the end of the year	**246.44**	240.20
2.	**Changes in fair value of planned assets**		
	Fair value of plan assets at the beginning of the year	**135.39**	128.49
	Expected return on plan assets	**9.29**	9.27
	Contributions	**17.29**	5.10
	Benefits paid	**(12.71)**	(7.12)
	Actuarial (gain)/loss on planned assets	**12.90**	(0.34)
	Fair value of plan assets at the end of the year	**162.16**	135.39
3.	**Amount recognized in the balance sheet**		
	Present value of obligations as at the end of year	**246.44**	240.20
	Fair value of plan assets as at the end of year	**162.16**	135.39
	Net asset/(liability) recognized in balance sheet	**84.28**	104.81
4.	**Expenses recognized in Statement of Profit and Loss**		
	Current service cost	**19.78**	37.96
	Interest cost	**15.74**	7.20
	Expected return on plan assets	**9.29**	(9.27)
	Total Acturial Gain/Loss.	**12.90**	(6.78)
	PSC – Non vested	**(0.00)**	(0.00)
5.	**Amount recognised in Other ComprehensiveIncome**		
	Actuarial (gain)/ loss on obligations	**16.57**	0.34
	Actuarial (gain)/loss - plan assets	**12.88**	(0.34)
	Actuarial (gain)/loss recognized in the year	**12.90**	(6.78)

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated) **Standalone**

44. OPERATING LEASE:

The Company recorded 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 borrowing rate that is applied to lease liabilities as at 1st April, 2020 is 9.50%

The changes in the carrying value of ROU assets for the year ended 31st March, 2021 are as follows:

Particulars	Buildings
Balance as at 1st April 2020	1,042.84
Additions	-
Deletions	-
Depreciation	186.29
Balance as at 31st March, 2021	856.55

The break-up of current and non-current lease liabilities as at 31st March, 2021 is as follows

(₹ in lakhs)

Particulars	As at 31st March, 2021
Current lease liabilities	**171.48**
Non- Current lease liabilities	**845.16**
Total	**1,016.64**

The movement in lease liabilities during the year ended 31st March, 2021 is as follows:

(₹ in lakhs)

Particulars	Buildings
Balance as at 1st April 2020	**1,185.23**
Additions	**-**
Deletions	**-**
Finance cost during the year	**88.59**
Payment of lease	**(257.18)**
Balance as at 31st March, 2021	**1,016.64**

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)
Standalone

The Company has taken a portion of factory land, office premises and movable assets(hydrozen cylinders) on operating lease. And the company has given a portion of land, hatchery unit on operating lease.

A. The total future commitments on Lease Payments **on an undiscounted basis** are detailed hereunder:

Particulars	Year Ended 31st March, 2021
(i) Not later than one year	**246.43**
(ii) Later than one year and not later than five years	**757.28**
(iii)Later than five years	**1121.57**

B. The total future Receivables on Lease Receipts are detailed hereunder:

Particulars	Year Ended 31st March, 2021
(i) Not later than one year	**18.00**
(ii) Later than one year and not later than five years	**72.00**
(iii)Later than five years	**Nil**

C. Lease Receipts recognized in the Profit and Loss Account is Rs.48.40 Lakhs during the year 2020-21.

45. SEGMENT REPORTING:

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Segment Revenue		
a) Chemicals	**57,449.40**	55,987.46
b) Trading	**32616.54**	11,725.50
c) Power generation	**6892.41**	6,765.20
d) unallocated	**663.21**	391.69
TOTAL	**97621.56**	74,869.85
Less: Inter segment revenue	**(5875.84)**	(5,567.94)
Net Sales/Income from Operations	**91,745.73**	69,301.91
Segment Results Profit/(Loss) Before tax and interest:		
a) Chemicals	**6209.31**	4399.26
b) Trading	**897.72**	180.62
c) Power generation	**864.02**	442.29
d) unallocated	**663.21**	391.69
TOTAL	**8634.25**	5,413.86
Less: I) a) Interest Expenses	**(547.56)**	(868.96)
Total Profit before Tax	**8086.70**	4544.90
Segment Assets		
a) Chemicals	**42078.09**	35,885.36
b) Tranding	**864.93**	1,886.96
c) Power generation	**3,903.85**	4,868.29
d) Others	**5045.32**	1,843.59
TOTAL	**51,892.19**	44,484.20
Segment Liabilities		
a) Chemicals and Trading	**12,922.42**	12,147.63
b) Trading	**153.42**	163.84
b) Power generation	**15.90**	550.20
c) Others	-	465.85
TOTAL	**13,091.75**	13,327.52

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

46. RELATED PARTY DISCLOSURES

As required under Ind As 24, Related Party Disclosures, the following are the related parites identified, transactions with such related parties during the year ended 31st March, 2021 and the balances as on that date are given below:

Related party Transactions:

1.	**Related Parties**	Transactions during the year
1.1	**Subsidiary Company**	
	TGV Sodium & Electrolite Private Limited	Yes
1.2	**Person has control or significant influence on the Company**	
	T G Bharath	Yes
1.3	**Close members of family of T G Bharath**	
	T G Venkatesh – Father	Yes
1.4	**Entities controlled by T G Bharath and close members of his family**	
	TGV SRAAC Limited	Yes
	T G V Projects & Investments Private Limited	Yes
	SreeRayalaseema Galaxy Projects Private Limited	Yes
	Gowri Gopal Hospitals Private Limited	Yes
	Brilliant Bio-Pharma Private Limited	No
	Brilliant Industries Private Limited	No
	Sree Guru Raghavendra Film Exhibitors Private Limited	No
	T G V Securities Private Limited	No
	Vibhu Cement Private Limited	No
	SreeMaruthiAgrotech Private Limited	No
	Nectar Laboratories Private Limited	No
	SreeMaruthi Marine Industries Limited	No
	SreeRayalaseema Dutch Kassenbouw Private Limited	No
	GGICU LLP	No
	TGV Industries Private Limited	Yes
	M V SALTS and chemicals Private Limited	Yes
1.5	**Key Managerial Personnel**	
	T G Bharath – CMD	Yes
	V Surekha – Company Secretary	Yes
	ShaikIfthekhar Ahmed – Chief Financial Officer	Yes

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

46. Related Party Disclosures (Contd...)

a. Transactions during the year :

Particulars	Related Parties as per para 1.1,1.2,1.3,1.4,1.5				
	1.1	1.2	1.3	1.4	1.5
Purchase / subscriptions in investments	10.00	Nil	Nil	480.00	Nil
Redemption of investments(CRPS)	Nil	Nil	Nil	Nil	Nil
Net loans and advances given / received	Nil	Nil	Nil	300.00	Nil
Revenue from operations	Nil	Nil	Nil	10150.57	Nil
Purchase of raw material / Material consumed	Nil	Nil	Nil	15753.54	Nil
Employee benefits	Nil	416.45	Nil	Nil	16.63
Rent	Nil	51.82	63.14	240.24	Nil
Services Received	Nil	260.00	260.00	576.43	Nil
Rental Deposit	Nil	Nil	Nil	Nil	Nil

b. Outstanding balances

Particulars	**Year ended 31st March, 2021**	Year ended 31st March, 2020
Other Current Assets - Advances to Related Parties	**2794.83**	1132.75
Other Current Financial Liability	**176.45**	0.00
Other Non Current Assets	**209.88**	294.81
Rental Deposit to Key Managerial Personnel (KMP) and Relative of KMP	**160.00**	160.00

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs,
except share data and where otherwise stated)

Standalone

c) Summary of transactions with the above related parties as follows:

Enterprises where significant influence of key managerial personnel or their relatives exists:

Name of the party	Nature of Transaction	For the year ended 31.03.21	For the year ended 31.03.20
TGV SRAAC Ltd	Purchases	**12,477.94**	13291.50
	SalesLease	**9953.05**	6320.02
	Rentals	**7.46**	6.53
Gowri Gopal Hospitals Pvt Limited	Purchases	**12.84**	1.55
	Sales	**3.18**	2.87
	Lease Rentals	**19.04**	19.04
	Serivces Received	**37.91**	18.66
TGV Projects and Investments Pvt Ltd.,	Purchases	**0.00**	0.05
	Sales	**1.36**	1.04
	Lease Rentals	**213.73**	202.80
	Serivces Received	**101.07**	164.16
Sree Rayalaseema Galaxy Projects Ltd.,	Purchases	**18.21**	26.30
	Sales	**109.22**	137.23
	Serivces Received	**436.40**	492.03
TGV INDUSTRIES PVT LTD	Purchases	**3244.55**	0.00
	Sales	**83.75**	0.00
GG ICU LLP	Services Received	**1.03**	0.00
Shri TG Venkatesh,	Rent paid	**63.14**	63.14
	Services Received	**260.00**	260.00
Shri. TG BHARATH, Chairman and Managing Director	Rent paid	**51.82**	47.11
	Remuneration	**416.45**	201.29
	Employers Contribution to P.F.	**0.67**	0.59
	Services Received	**260.00**	260.00
Smt. V. Surekha Company Secretary	Remuneration	**7.59**	7.39
	Employers Contribution to P.F.	**0.20**	0.36
Sri S Ifthekhar Ahmed Chief Financial Officer	Remuneration	**8.64**	8.57
	Employers Contribution to P.F.	**0.19**	0.36

47. INCOME AND EXPENDITURE IN FOREIGN CURRENCY AND FOREIGN CURRENCY EXPOSURES

Earnings in Foreign Currency

(₹ in lakhs)

Particulars	**As at 31st March, 2021**	As at 31st March, 2020
FOB value of exports	**23,921.55**	24,076.77

Notes to financial statements for the year ended 31st March, 2021(Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

Expenditure in Foreign Currency

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
i) Commission Paid	**77.78**	71.48
ii)Freight and CFS	**3006.90**	2925.75
iii)Machinery and Spares	**34.71**	725.16
iv)Fee and Charges	**0.86**	0.00
v)Other	**0.35**	0.00

Value of Imports (Calculated on C.I.F basis):

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw Materials & Coal	**29,413.08**	**8,519.82**

48. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

The Company is required to furnish required details under section 22(i) to clause (v) of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT) read with para FV of General Instructions for balancesheet in Division II of Schedle III to the Companies Act, 2013 (the ACT). As per the said regulations required information inrespect of MSMED entities are, as per information submitted by the suppliers to the company, furnished below:

(₹ in lakhs)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
a)	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end. (all dues were paid before year end)	**261.93**	143.31
b)	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end;	**Nil**	Nil
c)	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**Nil**	Nil
d)	Principal payment made to suppliers registered under the MSMED Act, beyond the appointed day during the year;	**Nil**	Nil
e)	Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**Nil**	Nil
f)	Interest due and payable for the year amount of interest accrued and remaining unpaid at the end of each year towards suppliers registered under MSMED Act, for payments already made; and	**Nil**	Nil
g)	Further interest remaining due and payable for even in succeeding years.	**Nil**	Nil

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated) **Standalone**

49. REVENUE FROM CONTRACTS WITH CUSTOMERS:

The Company is producer of Calcium Hypochlorite, Sulphuric Acid, Stable Bleaching Powder, Hydrogen Gas, Sodium Methoxide, Sodium Hydride and also in coal trading and Generation and Distribution of Power.

Revenue is recognized 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 recognized 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 recognized 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 recognized when the right to receive dividend is established.

A. Disaggregate Revenue Information

The disaggregated revenue from contracts with the customers for the year ended March 31, 2021 by offerings and contract type

(₹ in lakhs)

Sl.No.	Revenue by contract type	As at 31st March, 2021	As at 31st March, 2020
1	Fixed time frame	**87,619.91**	65,140.79
2	Time and material	**3,294.28**	3,134.62

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 Ind AS 115 is Rs.350.00 Lakhs out of which, approximately 100% is expected to be recognized as revenues within one year and the balance beyond one year.

Notes to financial statements for the year ended 31st March, 2021(Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Standalone

50. VALUE OF RAW MATERIALS CONSUMED

PARTICULARS	As at 31st March, 2021		As at 31st March, 2020	
	Rs in lakhs	%	Rs in lakhs	%
a) Imported	29,413.08	53.93	8,519.82	29.97
b) Indigenous	25127.55	46.07	19,907.01	70.03
Total	54,540.63	100	28,426.83	100.00

51. CONFIRMATION OF BALANCES

Confirmation of Balances from certain parties for amounts due to them or due from them are yet to be received Confirmation letters were received from some of the parties. No material discrepancies are observed.

52. Previous figures have been regrouped/rearranged to make them comparable with current year figures.

53. ROUNDING OFF

Figures shown in the Financial Statements have been rounded off to the nearest Lakhs.

As per our report of even date attached.
For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No: 21025266AAAADB3971

Place: Kurnool
Date : June 30, 2021

For and on behalf of the Board

Sd/-
Sri T.G.Bharath
Chairman & Managing Director

Sd/-
Smt. R.Triveni
Director

Sd/-
Smt. V.Surekha
Company Secretary

Sd/-
Sri S. Ifthekhar Ahmed
Chief Financial Officer

Place : Kurnool
Date : June 30, 2021

Consolidated

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Sree Rayalaseema Hi-Strength Hypo limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements ofSreeRayalseema Hi-Strength Hypo Limited(the 'Parent Company') and its subsidiary (the Company and its subsidiarytogether referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidate Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

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

Basis for opinion

We conducted our audit of the consolidated financial statements 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key audit matters

Key audit matters('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl.No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition** The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.	Principal Audit Procedures We reviewed the Company's implementation of Ind AS 115, including recognition of the effect on opening equity and changes to procedures, accounting guidelines, disclosures and systems to support correct revenue recognition. We reviewed and discussed the accounting policy including the key accounting estimates and judgements made by management.

Sl.No.	Key Audit Matter	Auditor's Response
	Revenue from sale of goods is recognized when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The application of the new revenue accounting standard involves certain significant judgements and estimates made by the management including identification of distinct performance obligations, determination of transaction price of the identified performance obligations, determination of transaction price, the appropriateness of the basis used to measure revenue recognized over a period. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. Accumulated expenses are used to estimate provisions of discounts, rebates.Refer note 2.13 of the financial statements.	We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognised. We read a sample of contracts to assess whether the method for recognition of revenue was relevant and consistent with Ind AS 115, and had been applied consistently. We focused on contract classification, allocation of income and cost to the individual performance obligations and timing of transfer of control. We evaluated the significant judgements and estimates made by management in applying accounting policy to sample of contracts and we obtained evidence to support them, including contractual agreements, delivery records. We also considered the historical outturns of estimates used in prior periods. We applied Audit Techniques to establish, whether any revenue has been recognized where no corresponding accounts receivable or cash has been recorded in the general ledger.

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Parent Company, as aforesaid.

In preparing the consolidatedfinancial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Groupare responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditor's regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements / financial information of a Wholly-owned subsiadiary, whose financial statements / financial information (before eliminating intercompany balances) reflects total assets ofRs. 15,89,581/- as at 31st March 2021, total revenues of Rs. NIL and net cash inflows amounting to Rs.10,00,000/-for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net Loss (including other comprehensive income) of Rs.2,37,040/- for the year ended 31 March 2021, as considered in the consolidated financial statements in respect of one subsidiary, whose financial statements have been audited by other auditors. These audited financial statements have been approved by the Board of Directors and furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on such audited financial statements. In our opinion and according to the information and explanation given to us by the Management, the financial statements are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that :

   a. We have sought and obtained all the information and explanations which to thebest of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including Other Comprehensive Income, consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors of the Parent Company and its subsidiary which are incorporated in India as on 31st March,2021 taken on record by the Board of Directors of respective companies, none of the directors of the Group Companiesincorporated in India is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

i. The consolidated financial statements disclose the impact of pending litigations on its financial position of the Group

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary incorporated in India.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of amendments to section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the current year by the Parent Company and its subsidiary, which is incorporated in India is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Parent Company and its subsidiary, which is incorporated in India is not in excess of the limit laid down under Section 197 of the Act.

For **T. Adinarayana & Co.**
Chartered Accountants
Regn. No. 000041S
Sd/-
Y. Pullarao
Partner
Membership No. 25266
UDIN:21025266AAAADC8835

Place : Kurnool
Date : June 30, 2021

Consolidated Balance sheet as at 31st March, 2021

(All amounts in Lakhs, except otherwise stated)

	Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS				
Non-current assets				
(a)	Property, Plant and Equipment	3	10,161.44	12,730.72
(b)	Right-to-use assets on lease	3	856.55	1,042.84
(c)	Capital work-in-progress	3	44.49	305.49
(d)	Investment properties	4	2,375.00	2,375.00
(e)	Financial assets			
	i) Investments	5	5,034.32	1,842.59
	ii) Other financial assets	6	432.47	416.06
(f)	Deferred tax Asset		549.71	0.00
(g)	Other non-current assets	7	1,016.36	1,009.32
Total Non-current assets			**20,470.34**	**19,722.02**
Current assets				
(a)	Inventories	8	3,970.65	3,670.83
(b)	Financial assets			
	i) Trade receivables	9	9,660.33	8,203.01
	ii) Cash and cash equivalents	10	698.99	4,165.06
	iii) Bank balances other than Cash and cash equivalents	11	13,167.75	4,477.54
	iv) Loans	12	77.02	83.31
	v) Other financial assets	13	287.86	294.93
(c)	Current Tax Assets (Net)	14	0.00	-
(d)	Other current assets	15	3,564.14	3,867.60
	Total Current assets		**31,426.74**	**24,762.28**
	TOTAL ASSETS		**51,897.08**	**44,484.30**
EQUITY AND LIABILITIES				
Equity				
(a)	Equity Share capital	16	1,716.48	1,716.48
(b)	Other equity	17	37,081.11	29,439.72
Total Equity			**38,797.59**	**31,156.20**
Liabilities				
Non-current liabilities				
(a)	**Financial liabilities**			
	i) Borrowings	18	51.10	94.38
	ii) Others	19	177.99	127.99
	iii) Lease Liability	20	845.16	928.05
(b)	Deferred tax liabilities (Net)	21	0.00	465.85
(c)	Deferred Government grants	22	95.95	101.95
(d)	Provisions	23	84.27	98.08
Total Non-current liabilities			**1,254.48**	**1,816.30**
Current liabilities				
(a)	Financial liabilities			
	i) Borrowings	18	6,065.17	3,860.63
	ii) Trade payables			
	(A) total outstanding dues of micro, small and medium enterprises	24	261.93	143.32
	(B) total outstanding dues of creditors other than micro, small and medium enterprises	24	941.50	2,355.91
	iii) Other financial liabilities	25	1,661.90	1,496.76
	iv) Lease Liability	25	171.48	257.18
(b)	Other current liabilities	26	1,862.47	1,874.76
(c)	Provisions	27	94.84	95.49
(d)	Current tax liability (Net)	28	785.72	1,427.75
	Total Current liabilities		**11,845.02**	**11,511.80**
	TOTAL LIABILITIES		**13,099.49**	**13,328.10**
	TOTAL EQUITY AND LIABILITIES		**51,897.08**	**44,484.30**
	See accompanying notes forming part of financial statements.			
	General information	1		
	Summary of significant accounting policies	2		
	Notes to Financial Statements	40-53		

As per our report of even date attached.
For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN:21025266AAAADC8835
Place: Kurnool
Date : June 30, 2021

For and on behalf of the Board

Sd/-
Sri T.G.Bharath
Chairman & Managing Director

Sd/-
Smt. R. Triveni
Director

Sd/-
Smt. V.Surekha
Company Secretary

Sd/-
Sri S. Ifthekhar Ahmed
Chief Financial Officer

Place : Kurnool
Date : June 30, 2021

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

(All amounts in Lakhs, except otherwise stated)

	Particulars	Note No.	Year ended 31st March 2021	Year ended 31st March 2020
I	**Revenue from operations**	**29**	**91,082.52**	**68,910.22**
II	**Other income**	**30**	**663.21**	**391.69**
III	**Total revenue (I + II)**		**91,745.73**	**69,301.91**
IV	**Expenses**			
	Cost of materials consumed	31	34,490.67	34,336.93
	Purchase of stock-in-trade	32	28,585.60	9,931.63
	Changes in inventories of finished goods, work in progress and stock-in-trade	33	118.61	(610.37)
	Emloyee benefit expense	34	2,368.45	2,252.73
	Finance cost	35	547.56	1,016.48
	Depreciation and amortisation expense	3	5,060.75	5,027.37
	Other expense	36	**12,489.75**	**12,802.71**
	Total expenses (IV)		**83,661.40**	**64,757.49**
V	**Profit/ (loss) before exceptional items and tax (III-IV)**		**8,084.32**	**4,544.42**
VI	**Exceptional items**		**-**	**-**
VII	**Profit/ (loss) before tax (V-VI)**		**8,084.32**	**4,544.42**
VIII	**Tax expense**			
	Current tax	37	3,050.15	2,011.86
	Deferred tax	37	(1,022.96)	(1,258.16)
	Earlier year tax adjustments		-	-
	Total Tax expense (VIII)		**2,027.18**	**753.70**
IX	**Profit/ (loss) for the period After Tax (VII-VIII)**		**6,057.14**	**3,790.72**
X	**Other comprehensive income**	**38**		
	Items not to be reclassified to profit or loss in subsequent periods:			
	Net gain /(losses) on FVTOCI financial instruments		2,661.38	(6,237.05)
	Re-measurement gains/ (losses) on defined benefit plans		29.37	23.87
	Tax effect		(677.21)	1,563.73
	Other comprehensive income/(loss) for the year		**2,013.55**	**(4,649.45)**
XI	**Total comprehensive income for the period (IX+X)**		**8,070.69**	**(858.73)**
XII	**Earnings per equity share**	**39**		
	a) Basic		35.29	22.08
	b) Diluted		35.29	22.08
	See accompanying notes forming part of financial statements.			
	General information	1		
	Summary of significant accounting policies	2		
	Notes to Financial Statements	40-53		

As per our report of even date attached.
For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN:21025266AAAADC8835
Place: Kurnool
Date : June 30, 2021

For and on behalf of the Board

Sd/-
Sri T.G.Bharath
Chairman & Managing Director

Sd/-
Smt. R. Triveni
Director

Sd/-
Smt. V.Surekha
Company Secretary

Sd/-
Sri S. Ifthekhar Ahmed
Chief Financial Officer

Place : Kurnool
Date : June 30, 2021

Consolidated Cash flow statement for the period ended 31st March, 2021

(All amounts in Lakhs, except otherwise stated)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Cash flow from operating activities		
Profit before tax	**8,084.32**	**4,544.42**
Profit before exceptional items and tax	**8,084.32**	**4,544.42**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	5,060.75	5,027.37
Interest received	(396.21)	(182.19)
Interest paid	547.56	1,016.48
Interest expense due to amortisation of processing fees	1.95	0.74
Interest income & expenses due to amortisation of rent deposits	(9.12)	(8.62)
Income due to government grant recognised	(6.00)	(6.00)
Operating profit before working capital changes	**13,283.25**	**10,392.20**
Working capital adjustments:		
(Decrease)/Increase in trade payables	(1,295.79)	(1,683.22)
(Decrease)/Increase in non-current financial liabilities	50.00	(2.75)
(Decrease)/Increase in current financial liabilities	165.08	(350.02)
(Decrease)/Increase in other current liabilities	(12.29)	669.80
(Decrease)/Increase in short term provisions	(0.64)	4.37
(Decrease)/Increase in long term provisions	15.57	28.72
(Increase)/Decrease in non-current financial asset	(9.24)	(10.55)
(Increase)/Decrease in other non-current assets	(7.04)	176.61
(Increase)/Decrease in trade receivables	(1,457.31)	586.56
(Increase)/Decrease in inventories	(299.82)	34.00
(Increase)/Decrease in other current assets	303.45	1,386.06
(Increase)/Decrease in financial assets	13.37	(194.70)
Cash generated from operating activities	**10,748.60**	**11,037.08**
Direct taxes paid (net)	(3,692.18)	(1,105.64)
Net cash flow from operating activities (A)	**7,056.42**	**9,931.44**
Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(2,044.18)	(805.82)
Purchase of investment	(1,200.16)	-
Interest received	396.21	182.19
Redemption/(Investment) of margin money deposit	(8,653.57)	(3,255.22)
Earmarked for dividend	(36.65)	118.66
Net cash flow from/ (used in) investing activities (B)	**(11,538.35)**	**(3,760.19)**
Cash flows from financing activities		
Interest paid	(458.94)	(913.24)
(Repayment)/Proceeds of long term borrowings	(43.28)	(500.11)
(Repayment)/Proceeds from short term borrowings	2,204.54	(98.47)
Dividend paid	(429.29)	(413.86)
(Repayment)/Proceeds of lease liability	(257.18)	(258.13)
Net cash flow from/ (used in) in financing activities (C)	**1,015.85**	**(2,183.81)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(3,466.08)**	**3,987.44**
Cash and cash equivalents at the beginning of the year	4,165.06	177.62
Cash and cash equivalents at the end of the year	**698.99**	**4,165.06**
Components of cash and cash equivalents		
Cash on hand	4.07	8.24
Balances with banks		
- in Current Account	694.93	4,156.82
Total cash and cash equivalents (Note 10)	**698.99**	**4,165.06**

Note:

The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS -7 "Statement of Cash Flows"
Previous Year's figures have been regrouped / rearranged to confirm to the current years presentation, wherever necessary.

As per our report of even date attached.
For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN:21025266AAAADC8835
Place: Kurnool
Date : June 30, 2021

For and on behalf of the Board

Sd/-
Sri T.G.Bharath
Chairman & Managing Director

Sd/-
Smt. R. Triveni
Director

Sd/-
Smt. V.Surekha
Company Secretary

Sd/-
Sri S. Ifthekhar Ahmed
Chief Financial Officer

Place : Kurnool
Date : June 30, 2021

Consolidated

Statement of changes in equity
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

a. Equity share capital	Note	Amount
As at 1st April 2019		**1,716.48**
Changes in equity share capital during the year	16	-
As at 31st Mar 2020		**1,716.48**
As at 31st Mar 2021		**1,716.48**

b. Other Equity

Particulars	Note	Reserves and Surplus: Securities premium reserve	Retained earnings	Other reserve	Other Comprehensive income: FVOCI - equity & preference instruments	OCI - Actuarial gain/loss on gratuity	Money received against share warrants	Total other equity
Balance at 31st March, 2019		**3,026.59**	**20,544.01**	**2,762.75**	**4,489.29**	**(7.62)**	**-**	**30,815.02**
Changes in equity for the period ended 31st, March 2019								
Preferential issue during the year	17(i),(v)	-	-	-	-	-	-	-
Equity instruments through other comprehensive income	17(iv)	-	-	-	(4,667.31)	-	-	(4,667.31)
"Reclassified to Statement of Profit and Loss "during the year on account of redemption of preference shares"	17(iv)	-	-	-	-	-	-	-
Gains/(losses) on arising from actuarial gain/loss on gratuity	17(iv)	-	-	-	-	17.86	-	17.86
Profit for the year	17(ii)	-	3,790.72	-	-	-	-	3,790.72
Ind AS 116 Leases impact	17(ii)		(102.71)					(102.71)
Proposed dividend	17(ii)	-	(413.86)	-	-	-	-	(413.86)
Balance at 31st March, 2020		**3,026.59**	**23,818.16**	**2,762.75**	**(178.02)**	**10.24**	**-**	**29,439.72**
Changes in equity for the period ended 31st, March 2021								
Equity instruments through other comprehensive income	17(iv)	-	-	-	1,991.56	-	-	1,991.56
Gains/(losses) on arising from actuarial gain/loss on gratuity	17(iv)	-	-	-	-	21.98	-	21.98
Profit for the year	17(ii)	-	6,057.14	-	-	-	-	6,057.14
Ind AS 116 Leases impact	17(ii)	-	-	-	-	-	-	-
Proposed dividend	17(ii)	-	(429.30)	-	-	-	-	(429.30)
Balance at 31st March, 2021		**3,026.59**	**29,446.00**	**2,762.75**	**1,813.54**	**32.22**	**-**	**37,081.11**

As per our report of even date attached.
For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)
Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN:21025266AAAADC8835

Place: Kurnool
Date : June 30, 2021

For and on behalf of the Board

Sd/-
Sri T.G.Bharath
Chairman & Managing Director

Sd/-
Smt. R. Triveni
Director

Sd/-
Smt. V.Surekha
Company Secretary

Sd/-
Sri S. Ifthekhar Ahmed
Chief Financial Officer

Notes to financial statements for the year ended 31st, March 2021

Note 1: General Information

Sree Rayalaseema Hi – Strength Hypo Limited incorporated on 28thMarch, 2005 it is the leading producer of Calcium Hypo Chloride, Stable Bleaching Powder, Sulphuric Acid and other chemicals.

The Company is a public limited company domiciled in India. The address off its registered office and principal place of business are disclosed in the introduction to the Annual Report. The equity shares of the Company are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The financial statements are approved for issue by the Company's Board of Director's on 30thJune, 2021.

Note 2: Significant Accounting Policies

2.1 Statement of Compliance

These Financial statements are separate financial statements of the company (Also called Consolidation Financial Statements)

The Consolidation Financial statements have been prepared in accordance with Indian Accounting Standards (as amended) (Ind AS)as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 together with comparative period data as at the year end March, 31st2021.

2.2 Basis of consolidation

The Consolidation Financial Statements comprise the Financial Statement of Sree Rayalaseema Hi-Strength Hypo Limited and its wholly owned subsidiary company TGV Sodium & Electrolyte Private Limited

All Intercompany transaction, Balances, income and expenses are eliminated in full on consolidation.

Following are subsidiary companies as on 31st March 2020 and 31st March 2021 and the same are consolidated for the purpose of this Consolidated Financial Statements.

Name of the Company	Country of Incorporation	% Holding as on 31 March 2021	% Holding as on 31 March 2020
TGV Sodium & Electrolies Private Limited	India	100%	100%

The Company holds more than 20% in investee company Viz SRAAC LTD but not consolidation for reasons given in details in the note 2.11 and Annexure to Div II in Schedule III to the companies Act 2013.

2.3 Basis of preparation and presentation of financial statements

These Consolidation Financial statements have been prepared on the historical cost 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.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Consolidation financial statements are prepared in Indian Rupees and all values are rounded off nearest to nearest lakhs.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transaction that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36 Impairment of Assets.

The Statement of Cash Flow have been prepared in Indirect Method.

2.4 Use of estimates and judgements

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect there ported 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.

2.5 Operating cycle.

Operating cycle is the time between the acquisition of assets for processing and their in cash and cash equivalents. The company has ascertained its operating cycle as twelve months for the purpose of current/noncurrent classification of assets and liabilities.

2.6 Current and Non-Current Classification.

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of business.
- Expected to be realized with in 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.

The company classifies all the assets as noncurrent.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of business.
- 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.

  The company classifies all other liabilities as noncurrent.

  Deferred tax asset and liability are classified as non-current asset and liability

2.7 Critical Accounting Judgements and Key source of estimation uncertainty operating cycle:

In the application of the company's accounting policies, the management of the company are required to make judgements, estimates, and assumptions about the carrying amounts of the asset and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods in the revision effects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other. For contingent losses that are considered probable an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2017 management assessed that the useful lives represent the expected utility of the assets to the company. Further, there is no significant change in the useful lives as compared to previous year.

2.8 Functional Currency:

The Financial Statements are prepared in Indian Rupees, which is the functional currency of the company, functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts in the financial statements are stated in Indian Currency unless otherwise stated.

2.9 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange of control of the acquire. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 2 at the acquisition date and
- Assets (or disposal Company's) that are classified as held for sale in accordance with Ind AS 105 (Non- current Assets Held for Sale and Discontinued Operations) are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Company whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Company reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Company then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Company recognises it in order comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing(as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by- transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with Ind AS 39, or Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

2.10 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or Companies of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unitandthen to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Company's policy for goodwill arising on the acquisition of an associate and a joint venture is described at note 2.22 below.

2.11 Investments in associates and joint ventures

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.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Company's share of losses of an associate or a joint venture exceeds the Company's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate or joint venture), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

After application of the equity method of accounting, the Company determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Company's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Company retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Company measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognitionin accordance with Ind AS 109 (Financial Instruments). The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Company accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Company reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Company continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Company reduces its ownership interest in an associate or a joint venture but the Company continues to use the equity method, the Company reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Company entity transacts with an associate or a joint venture of the Company, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Company's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Company.

2.12 Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets and disposal Company's 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 Company 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 Company's), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/ distribution of the asset or disposal Company to be highly probable when:

- Holding as onThe appropriate level of management is committed to a plan to sell the asset (or disposal Company),
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset (or disposal Company) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal Companies 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 Company 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 30. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

2.13 Revenue Recognition

Effective 1st 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 replaced 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.

2.14 Leasing

Ind AS 116 ‘Leases’ was notified on 30th March, 2019 and it replaces Ind AS 17 ‘Leases’, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1st 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 commencement date of a lease, a lessee will recognize 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 recognize 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 amortized cost using the effective interest method.

Subsequently the company measures the lease liability by increasing the carrying the amount to reflect the interest on the lease liability; reducing the carrying amount of 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

2.15 Foreign currencies

In preparing the financial statements of each individual Company entity, transactions in currencies other than the entity'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;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these financial statements, the assets and liabilities of the Company's foreign operations are translated into Currency Units using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non- controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Company losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

2.16 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.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

2.17 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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 recognised 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.

2.18 Employee benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Remeasurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the entity reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the entity [reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19

Share-based payment arrangements

Share-based payment transactions of the Company

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

2.19 Taxation

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 consolidated [statement of profit or loss and other comprehensive income/ statement of profit or 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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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.

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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.20 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated Balance Sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation 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.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Company as elected to continue with the carrying value of all of its property, plant and equipment recognised as of 01.04.2016(Transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and 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 aprospective 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 asunder 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.:

- Thermal power plant – 8years
- New Hypo Plant – 6 years

2.21 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes).

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of its investment property recognised as of 01.04.2016 (transition date) measured as per the previous GAAP and used that carrying value as its deemed cost as of the transition date.

2.22 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;

- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquiredseparately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 01.04.2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.23 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash- generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash- generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.24 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Carrying value of inventories pledged as securities against loans are disclosed.

2.25 Provisions and contingencies

Provisions

A Provision is recognised when the company has a present obligation(legal or constructive) as a result of past event i.e., it is probable that an outflow of resources embodying economic benefits 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 reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Contingent liabilities and assets are not recognised in financial statements. A disclosure of the contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.

2.26 Financial Instruments

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

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 (FVTPL), transaction costs that are attributable to the acquisition of financial asset. Purchase or sales of financial assets that requires delivery of asset within the time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset

Subsequent Measurement

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

- Debt instruments at amortised cost
- Equity instruments measured at FVTPL

Debt instruments at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for

  Collecting contractual cash flows, and

- 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.

  After initial measurement, 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 Statement of Profit and Loss.

  Debt instruments included within the FVTOCI category are measured at amortised initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

Equity instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL, category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

2.27 Earning per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.28 Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segments' and the company has disclosed only two reportable segments namely (i) Chemical Manufacturing and (ii) Power Generation. Further, the Board of directors have designated the Managing Director as Chief Operating Decision Marker ('CODM').

2.29 Cash flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the

Effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.30 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.

Allowance for expected credit losses:

Note 2(I) 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:

Contingent liabilities are 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.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)

(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Consolidated

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	land	Factory Buildings	Furniture and fixtures	Wind Power Plants	Plant and machinery	Other Assets	Total	Right to Use Asset
GROSS BLOCK								
Closing gross carrying amount as at 31st March, 2019	**5,315.39**	**3,432.73**	**196.38**	**7,407.72**	**21,619.64**	**951.67**	**38,923.53**	**609.06**
Additions	258.80	68.00	0.46	-	-	198.92	526.18	628.34
Disposals	-	-			-5.70	-90.03	-95.73	0
Reclassified to Investment in Note No. 4 of Balance sheet	-2,375.00							0
Closing gross carrying amount as at 31st March, 2020	3,199.19	3,500.73	196.84	7,407.72	21,613.94	1,060.56	36,978.98	1237.40
Additions	1,951.64	-	-	-	305.49	48.05	2,305.18	-
Disposals	-	-	-	-	-	-	-	-
Reclassified to Investment in Note No. 4 of Balance sheet	-							
Closing gross carrying amount as at 31st March, 2021	**5,150.83**	**3,500.73**	**196.84**	**7,407.72**	**21,913.73**	**1,108.61**	**39,284.16**	**1,237.40**
ACCUMULATED DEPRECIATION							-	
Closing Accumulated depreciation as at 31st March, 2019	-	2,025.55	99.62	4,850.65	11,757.70	751.82	19,485.34	-
Depreciation charge during the year 19-20	-	432.27	45.49	1,145.10	2,992.27	217.67	4,832.80	194.56
Disposals during the year 19-20						-69.89	-69.89	0.00
Closing Accumulated depreciation as at 31st March, 2020	-	2,457.82	145.11	5,995.75	14,749.97	899.60	24,248.25	194.56
Depreciation charge during the year 20-21	-	432.27	45.49	1,145.10	3,181.65	69.96	4,874.47	186.29
Disposals during the year 20-21								
Closing Accumulated depreciation as at 31st March, 2021	-	2,890.09	190.60	7,140.85	17,931.62	969.56	29,122.72	380.85
NET BLOCK								
Net Carrying amount as at 31st March, 2020	**3,199.19**	**1,042.91**	**51.73**	**1,411.97**	**6,863.97**	**160.96**	**12,730.73**	**1042.84**
Net Carrying amount as at 31st March, 2021	**5,150.83**	**610.64**	**6.24**	**266.87**	**3,987.82**	**139.05**	**10,161.44**	**856.55**

Capital work-in-progress:

Particulars	Civil work in progress	Machinery under erection
As at 31st March, 2020	-	305.49
As at 31st March, 2021	-	44.49

a) Title to some of the properties acquired by the Company under Scheme of Arrangement are in the process of being transferred in the Company's name.

b) During Financialy Year 2018-19, the Company has undertaken a technical study to analyze the future working of various machineries in the present prevailing environment and working condition, based on this study, the useful life of some of the assets are revised with effect from 01.04.2018.

b) The land, Building and Plant & Machinery have been secured by a charge in favour of Lending Bank.

d) The vehicles have been hypothicated in favour of banks who have lended against these vehicles. The Company is not allowed to create further charge on these assets as security for other borrowings or to sell this to other entities.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Consolidated

NOTE 4: INVESTMENT PROPERTY

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Cost or Deemed Cost		
Opening gross amount	2,375.00	-
Additions	-	2,375.00
Disposal	-	-
Closing gross amount	2,375.00	2,375.00
Accumulated depreciation		
Opening accumulated depreciation	-	-
Depreciation charge	-	-
Depreciation reversed on disposal	-	-
Closing accumulated depreciation	-	-
Net carrying amount	2,375.00	2,375.00

	As at 31st, March, 2021	As at 31st, March, 2020
Fair value of Investment properties	5,099.22	5,099.22

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:

(i) current prices in an active market for properties of different nature

(ii) 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.

Notes to financial statements for the year ended 31st March, 2020 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Consolidated

NOTE 5: FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Investments in equity instruments at fair value through other comprehensive income (fully paid)		
1. Investment in Wholly owned Subsidary Company		
Unquoted and Fully Paid Up		
1.1. MV Salts and Chemicals Private Limited	**566.14**	-
1200000 (March 31,2020:Nil) Equity shares of Rs.10/-each		
2 Investments in Other Companies		
Quoted and Partly Paid Up		
Quoted and Fully Paid Up		
Trade TGV SRACC Ltd* (see note below)	**3,593.31**	1,694.69
2,05,44,496 (March 31, 2020:2,05,44,496) Equity shares of Rs.10/- each		
(15,000 shares pledged as security)		
Non-Trade The South Indian Bank Ltd	**43.97**	30.59
7,07,000 (March 31, 2020:7,07,000) Equity shares of Rs.10/- each		
Non-Trade Roopa Industries Ltd	**96.37**	107.53
13,72,455 (March 31, 2020:13,72,455) Equity shares of Rs.10/- each		
Non-Trade Kabson Industries Ltd	**0.52**	0.27
10,100 (March 31, 2020:10,100) Equity shares of Rs.10/- each		
Non-Trade Karnataka Bank Ltd	**2.12**	1.60
3,700 (March 31, 2020:3,700) Equity shares of Rs.10/- each		
Non-Trade Lotus Chcolates Ltd	**7.25**	5.30
56,800 (March 31, 2020:56,800) Equity shares of Rs.10/- each		
Non-Trade NEPC Micon Ltd	**0.01**	0.02
200 (March 31, 2020:200) Equity shares of Rs.10/- each		
Non-Trade BNR Udyog Ltd	**0.01**	0.05
500 (March 31, 2020:500) Equity shares of Rs.10/- each		
Non-Trade Consom Biotech Ltd	**0.01**	0.02
300 (March 31, 2020:300) Equity shares of Rs.10/- each		
Non-Trade Neha International Ltd	**0.01**	0.01
1,700 (March 31, 2020:1,700) Equity shares of Rs.10/- each		
Non-Trade Indo Wind Energy Ltd	**3.05**	2.40
42,000 (March 31, 2020:42,000) Equity shares of Rs.10/- each		
Non-Trade Nazara Technologies Ltd		
469 (March 31, 2020:Nil) Equity share of Rs. 10/ each	**6.44**	-
Quoted and Partly Paid Up		
Surya Jyothi Spinning Mills Ltd	**0.01**	0.01
100 (March 31, 2020:100) Equity shares of Rs.10/- each		
Total of Equity Instruments	**4,319.22**	1,842.49

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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3.	Investment in Government securities (at amortised cost)		
	Unquoted		
	National Saving Certificates	**0.10**	0.10
	Total of Government securities	**0.10**	0.10
4.	Venture Capital Funds		
	IIFL Wealth Finance Ltd	**175.00**	-
	Blume Ventures Fund 1X	**325.00**	-
	TVS Shriram Growth Fund 3	**215.00**	-
	Total Venture capital fund	**715.00**	**-**
	Total non-current investments (1+2+3)	**5,034.32**	1,842.59
	Aggregate amount of quoted investments at market value thereof	**3,753.08**	1,842.49
	Aggregate amount of un-quoted investments	**566.24**	0.10
	Aggregate amount of venture capital Funds	**715.00**	-
	Aggregate amount of impairment in the value of investments	**-**	-

* * The Company has 19.18% (as at 31 March 2020: 20.19%) holding in equity share capital of M/s TGV SRAAC LTD Ltd. It is clearly demonstrated by an agreement that there will not be any participation by the Company for voting in any policy-making/decision making processes of TGV SRAAC Ltd and also the holding of the Company in TGV SRAAC LTD is reduced to below 20%. As evidenced by such understandings, the Company does not exercise any control or have significant influence over the TGV SRAAC Ltd. Hence investment in TGV SRAAC Ltd is not considered as an associate of the Company for accounting investment under equity method under Ind-AS 28 "Investments in Associates and Joint Ventures".

NOTE 6: OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Security Deposits with Government departments	**28.34**	28.12
Rental deposits	**34.25**	227.94
Rental deposits to related parties	**369.88**	160.00
Total	**432.47**	416.06

NOTE 7: OTHER NON-CURRENT ASSETS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Capital Advances	**1,016.36**	1,009.32
Total	**1,016.36**	1,009.32

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Consolidated

NOTE 8: INVENTORIES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Raw Materials	**1,576.41**	611.98
Work-in-progress	**87.15**	197.54
Finished Goods	**1,577.43**	1,251.66
Stores and spares,Chemicals,fuel and packing materials	**670.76**	1,216.76
Goods in transit	**58.89**	392.89
Total	**3,970.65**	3,670.83

NOTE 9: TRADE RECEIVABLES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Unsecured and considered good*	**9,660.33**	8,203.01
Unsecured and considered doubtful	**67.29**	31.43
	9,727.62	8,234.44
Expected Credit Loss Allowance (allowance for bad anddoubtful debts)**	**(67.29)**	(31.43)
Total trade receivables	**9,660.33**	8,203.01

The Average credit period on sales is 60 days

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 :

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Before accepting any new customer, the company uses an external credit scoring system and other potential information to assess the customer credit quality and defines credit limit. The limit and scoring attributable to customer are reviewed periodically.

Expected credit loss

Aging :	As at 31st, March, 2021	As at 31st, March, 2020
With credit period	**0.00%**	0.00%
Upto 60 days past due	**0.25%**	0.25%
61-90 days past due	**0.50%**	0.50%
91-180 days past due	**0.75%**	0.75%
more than 180 days past due	**1.00%**	1.00%

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Consolidated

NOTE 9 : Trade receivables (Cont..)

Aging of receivables

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
With credit period	**4,125.74**	3,468.91
Upto 60 days past due	**1,952.34**	1,791.52
61-90 days past due	**836.42**	1,076.69
91-180 days past due	**996.87**	886.67
more than 180 days past due	**1,816.25**	1,010.66
Total trade receivables (before impairment allowance)	**9,727.62**	8,234.45

Movement in Expected Credit Loss Allowance :

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Balance at beginning of the year	**31.43**	26.25
"Movement in Expected Credit Loss Allowance on trade receivables"calculated at lifetime expected credit losses"	**35.86**	5.18
Balance at end of the year	**67.29**	31.43

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

NOTE 10: CASH AND CASH EQUIVALENTS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Balances with banks		
in Current Account	**694.93**	4,156.82
Cash on hand	**4.07**	8.24
Total	**698.99**	4,165.06

NOTE 11: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
LC-Margin deposit with bank	**12,977.94**	4,324.37
Balances with banks in Current Account earmarked for dividend	**189.81**	153.16
Total	**13,167.75**	4,477.53

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Consolidated

NOTE 12: LOANS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Loans/advances to Employees	77.02	83.31
Total	77.02	83.31

NOTE 13: OTHER FINANCIAL ASSETS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Other deposits	284.52	291.60
Insurance claim receivable	3.33	3.33
Total	287.86	294.93

NOTE 14: CURRENT TAX LIABILITY/(ASSET) (NET)

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Current tax Asset	-	-
Total	-	-

NOTE 15: OTHER CURRENT ASSETS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Amounts receivable and tax advances	565.44	2,043.78
Advance to related parties	2,794.83	1,132.75
Advance to Others	68.69	270.92
Prepaid Expenses	55.21	121.55
Export incentives receivable	79.97	298.60
Total	3,564.14	3,867.60

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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NOTE 16: EQUITY SHARE CAPITAL

	Particulars	As at 31st, March, 2021	As at 31st, March, 2020
(a)	**Authorised :** 4,90,00,000 Equity shares of Rs.10/- each (as at 31st March 2020 4,90,00,000 Equity shares of Rs.10/- each)	**4,900.00**	4,900.00
(b)	**Issued:** 1,71,64,821 Equity shares of Rs.10/- each issued (as at 31st March 2020 1,71,64,821 Equity shares of Rs.10/- each issued)	**1,716.48**	1,716.48
(c)	**Subscribed and fully paid** 1,71,64,821 Equity shares of Rs.10/- each fully paid (as at 31st March 2020 1,71,64,821 Equity shares of Rs.10/- each issued)	**1,716.48**	1,716.48

Reconciliation of the number of equity shares outstanding

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
At the beginning of the year	**171.65**	171.65
Add: Issued during the year	**-**	-
At the end of the year	**171.65**	171.65

Terms/ rights attached to equity shares

"The company has only one class of equity shares having par 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 March 31, 2021		As at March 31, 2020	
	No.of shares	% of holding	No.of shares	% of holding
Gowri Gopal Hospitals Pvt Ltd	3668639	21.37%	3668639	21.37%
Sree Rayalaseema Galaxy Projects Pvt Ltd	1513989	8.82%	1513989	8.82%
TGV Projects and Investments Pvt Ltd	2405383	14.01%	2405383	14.01%

Notes to financial statements for the year ended 31st March, 2021(Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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NOTE 17: OTHER EQUITY

Particulars		As at 31st March, 2021	As at 31st March, 2020
Share premium	(i)	3,026.59	3,026.59
Retained earnings	(ii)	29,446.00	23,818.16
Other reserve	(iii)	2,762.75	2,762.75
Reserve for other comprehensive income items	(iv)	1,845.77	(167.78)
Money received and outstanding against share warrants	(v)	-	-
Total		**37,081.11**	29,439.72

Reserves and Surplus

(i)	**Share premium Reserve**	As at 31st March, 2021	As at 31st March, 2020
	Balance at the beginning of the year	3,026.59	2,269.71
	Add: Addition on preferential issue during the year	0.00	756.88
	Closing Balance	**3,026.59**	3,026.59

(ii)	**Retained earnings**	As at 31st March, 2021	As at 31st March, 2020
	Balance at the beginning of the year	23,818.16	20,544.02
	Lease rents	-	(102.71)
	Net profit for the period	6,057.14	3,790.72
	Payment of Dividend and Dividend distribution tax (F.Y. 2019-20)	(429.30)	(413.87)
	Closing balance	**29,446.00**	23,818.16

(iii)	**Other Reserve**	As at 31st March, 2021	As at 31st March, 2020
	General Reserve	334.09	334.09
	Amalgmation Reserve	2,428.67	2,428.67
	Closing balance	**2,762.75**	2,762.75

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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(iv) Reserve for other comprehensive income items

	Particulars	As at 31st March, 2021	As at 31st March, 2020
(a)	**Change in fair value of FVOCI equity & preference instruments (Net of taxes)**		
	- Balance at the beginning of the year	**(178.02)**	4,489.29
	- Net gains/(losses) on FVTOCI securities during the year	**1,991.56**	(4,667.31)
	- Reclassed to Statement of Profit and Loss during the year	-	-
	Closing balance (a)	**1,813.54**	(178.02)
(b)	**Other Comprehensive income arising from actuarial gain/loss on defined benefit obligation (Net of taxes)**		
	- Balance at the beginning of the year	**10.24**	(7.62)
	- Gains/(losses) on arising from actuarial gain/loss on gratuity	**21.98**	17.86
	Closing balance (b)	**32.22**	10.24
Total (a) + (b)		**1,845.77**	(167.78)

(v) Money received against warrants

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	-	-
Money received against share warrants	-	-
Money used for alloting of Shares issued during the year	-	-
Closing balance	-	-

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.

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.

FVTOCI intruments

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

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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NOTE 18: BORROWINGS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
A. Non-current borrowings		
Secured		
Term Loans		
From banks	-	-
For vehicles from bank	51.10	94.38
Total taken to Non Current Liabilities in Balance Sheet	51.10	94.38
B. Current borrowings		
Secured		
Working capital demand loans	6,065.17	3,860.63
Total taken to Current Liabilities in Balance Sheet	6,065.17	3,860.63

There is no default as at 31st March, 2021, 31st March 2020 in repayment of loans and interest payments on Banks.

Terms of Repayment

	Particulars	As at 31st, March, 2021	As at 31st, March, 2020
A.	**Term Loans**		
(a)	Monthly EMI of 39,50,000/- payable up to Feb,2021, ROI @ MCLR +" 3.75%(Spread)"	0.00	546.64
(b)	Monthly EMI of 8,172/- payable up to Nov,2025, ROI @ MCLR" +_0.85%(Spread)"	3.68	4.28
B.	**Vehicle Loans**		
	(a) EMI of 77,258/- payable up to Feb,2021, ROI @ 9.60%	0.00	8.24
	(b) EMI of 2,00,520/- payable up to Jul,2021, ROI @ 9.36%	0.00	30.05
	(c) EMI of 20,580/- payable up to Apr,2020, ROI @10.25%	0.00	0.20
	(d) EMI of 17,951/- payable up to Aug,2021, ROI @ 10.25%	0.00	1.05
	(e) EMI of 21,021/- payable up to Sep,2021, ROI @ 10.25%	0.00	1.42
	(f) EMI of 1,07,760/- payable up to Jun,2020, ROI @ 8.50%	0.00	3.19
	(g) EMI of 1,94,635/- payable up to Jun,2024, ROI @ 8.50%	65.6	82.2

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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Security

(a) The term loan from banks are secured by exclusive charge on specific fixed assets

(b) The loan repayable on demand from banks are cash credits, bills purchases, discountings, letter of credits limits and bank guarantees are secured by Hypothecation of Raw-material, Stock in process, Finished goods, consumable Spares, Book debts and receivables

(c) The working capital and Term loans from banks are also secured by first and second charge on some of the fixed assets of the company.

(d) The working capital and Term loans are further secured by guarantee from Managing Director and a promoter in individual capacities

NOTE 19: OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Security deposits from customers	**177.99**	127.99
Total	**177.99**	127.99

NOTE 20: LEASE LIABILITY

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Lease Liability (Refer Note.44)	**845.16**	928.05
Total	**845.16**	928.05

The above Lease Liability is calculated in compliance of new IND AS 116 Leases which is notified with effet from 01.04.2019. Separate Note No.44 is enclosed disclosing details of its recognition and measurement.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Consolidated

NOTE 21: DEFERRED TAX LIABILITY

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
The balance comprises temporary differences attributable to:		
Deferred tax liabilities		
Property, plant and equipment	**-**	758.16
Unwinding of interest on assets discounted	**6.15**	(4.87)
Deferred government grant	**(5.15)**	11.04
Provision for gratuity	**12.55**	5.16
Less:		
Deferred tax assets		
Property, plant and equipment	**(277.40)**	-
Borrowing costs measured at amortised cost	**7.68**	(2.91)
Provision for Expected Credit Loss (ECL)	**1.30**	(5.89)
MAT Credit entitlement	**(294.84)**	(294.84)
Net deferred tax liability	**(549.71)**	465.85

Reconciliation of net deferred tax liabilities

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Opening balance as at the beginning of the year	**465.85**	1,718.00
Recognised in Statement of profit and loss during the period	**(1,022.96)**	(1,258.16)
Recognised in Other comprehensive income during the period	**7.39**	6.01
Closing balance as at end of the year	**(549.71)**	465.85

NOTE 22: GOVERNMENT GRANTS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Capital subsidy	**95.95**	101.95
Closing balance	**95.95**	101.95

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Consolidated

NOTE 23: LONG-TERM PROVISIONS

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Provision for Gratuity	84.27	98.08
Total	**84.27**	98.08

NOTE 24: TRADE PAYABLES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Micro, Small and Medium Enterprieses (Refer Note 48)	261.93	143.31
Others	941.50	2,355.91
Total	**1,203.43**	2,499.22

NOTE 25: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Secured		
From Banks (Current maturities of long term debt*)	18.19	582.93
UnSecured		
Others		
Trade payables for capital assets	95.19	95.19
Unpaid dividend	189.81	153.16
Security deposits - others	92.49	82.51
Dealers commission payable	461.28	167.19
Overseas commission	14.59	58.99
Payable towards services availed	774.31	341.58
Others	16.04	15.21
Total	**1,661.90**	1,496.76

*Represents repayments falling due in next twelve months.

Lease liabililty (Refer Note.44)	171.48	257.18
	171.48	257.18

NOTE 26: OTHER CURRENT LIABILITIES

Particulars	As at 31st, March, 2021	As at 31st, March, 2020
Advances from customers	1,662.35	1,730.79
Statutory Dues	200.12	143.96
Total	**1,862.47**	1,874.76

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Consolidated

NOTE 27: SHORT-TERM PROVISIONS

Particulars	As at 31st March, 2021	As at 31st March, 2020
Employee benefits	**94.84**	95.49
Total	**94.84**	95.49

NOTE 28: CURRENT TAX LIABILITY/(ASSET) (NET)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current tax liability		
Provision for income tax	**7,325.04**	4,274.88
Current tax asset		
Tax deducted at source & Advance tax	**(6,539.32)**	(2,847.13)
Closing balance liability/(asset) (Net)	**785.72**	**1,427.75**

NOTE 29: REVENUE FROM OPERATIONS

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Sale of Manufactured Products (Net of Returns / Reversals)	**57,221.75**	**55,433.53**
Trading sales	**30,398.16**	9,707.26
Sale of Energy	**3,245.88**	3,111.04
Other operating revenue		
Sale of Scrap	**149.21**	172.35
Export Incentives	**67.52**	486.04
Total	**91,082.52**	68,910.22

NOTE 30: OTHER INCOME

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Insurance claim received	**72.57**	0.00
Net gains/(losses) on FVTPL instruments	**15.32**	10.49
Interest on Bank and other deposits and customers	**396.21**	182.19
Lease Rent Receipts	**48.40**	23.58
Unwinding of interest on assets discounted	**34.32**	21.13
Profit on sale of investments/assets	**-**	1.00
Deferred government grant income	**6.00**	6.00
Gain on foregin exchange transaction and translation	**78.13**	106.48
Other non operaing Incomes	**12.27**	40.82
Total	**663.21**	391.69

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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NOTE 31: COST OF MATERIALS CONSUMED

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of raw materials	**25,955.02**	28,426.82
Consumption of stores,spares,Chemicals & Packing Materials	**8,535.65**	5,910.11
Total	**34,490.67**	34,336.93

NOTE 32 : PURCHASE OF STOCK IN TRADE

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Purchase of stock-in-trade	**28,585.60**	9,931.63
Total	**28,585.60**	9,931.63

NOTE 33: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Closing Stock		
Finished Goods	**1,636.32**	1,644.55
Stock-in-process	**87.15**	197.54
Total Closing Stock	**1,723.48**	1,842.09
Opening Stock		
Finished goods	**1,644.55**	1,097.71
Stock-in-process	**197.54**	134.01
Total Opening Stock	**1,842.09**	1,231.72
Total changes in inventories of stock-in-process and finished goods	**(118.61)**	610.37

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Consolidated

NOTE 34: EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries, Wages,Bonus and Allowances	**1,865.66**	1,692.47
Contribution to ESI & Provident Fund	**61.30**	68.21
Staff Welfare expenses	**441.49**	492.05
TOTAL	**2,368.45**	2,252.73

NOTE 35: FINANCE COST

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expenses		
On Term loans	**20.78**	101.10
On Working capital Loans/Cash credits	**8.23**	51.03
Bank Charges	**115.18**	147.52
Others	**314.75**	613.59
lease liability	**88.62**	103.24
Total	**547.56**	1,016.48

Notes to financial statements for the year ended 31st March, 2021(Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)
Consolidated

NOTE 36: OTHER EXPENSES

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Repairs & Maintenance		
a) Buildings	**1,620.66**	2,028.26
b) Plant & Machinery	**2,010.25**	1,960.44
c) Others	**335.37**	190.40
Insurance	**315.54**	176.81
Rents	**48.27**	32.57
Travelling and conveyance	**78.12**	188.84
Printing and stationery	**7.33**	23.56
Postage Telegrams and Telephones	**26.73**	36.07
Freight outward & Incidental Expenses	**5,029.51**	5,936.33
Remunaration to Managing Director	**176.45**	0.00
Commission on sales	**630.70**	246.14
Advertisement	**1.68**	16.66
Audit fees & Expenses		
Statutory audit fees	**2.10**	2.10
Out of pocket expenses	**0.06**	0.16
Tax audit fees	**1.00**	1.00
Cost audit fees	**0.70**	0.50
Secraterial audit fees	**0.70**	0.80
Security & other Service Charges	**1,197.45**	822.59
Legal Expenses	**6.95**	15.94
Power and Fuel	**29.85**	35.06
Other Expenses	**716.17**	847.18
Corporate Social Responsibility Expenses	**100.64**	95.74
Expected Credit Loss allowance	**35.86**	5.18
Amortization of prepaid lease expense	**-**	20.32
Other Selling expenses	**117.68**	120.06
Total	**12,489.75**	12,802.71

Disclosure relating to Corporate Social Responsibility (CSR)

1. As As per Section 135 read with the Companies Act, 2013, the amount required to be spent towards CSR Norms amount to Rs.83.11 Lakhs for the Financial Year 2020-21 (based on 2% of average net profits of the preceeding three financial years). The Board of Directors allocated total budget of Rs. 83.11 Lakhs for the Financial year 2020-21, against which the company has spent Rs.100.64 lakhs during current year. An amount of Rs. Nil remained unspent.

2. **Break up of CSR expenditure under various heads of expenses is as below:**

S.No.	Naure of expenses constituting CSR expenditure	Spent for the Year ended	
		31.03.2021	31.03.2020
1	Health care sanitation	**80.14**	0.00
2	Education & Skill Development	**1.85**	12.00
3	Women empowerment/seniour citizen	**0.00**	5.00
4	Environment	**Nil**	Nil
5	Art & Culture	**Nil**	Nil
6	Ex - armed forces	**Nil**	Nil
7	Sports	**Nil**	Nil
8	National welfare Fund	**Nil**	Nil
9	Rural development	**Nil**	Nil
10	capacity Building	**Nil**	Nil
11	Swacch Bharat abhiyan	**Nil**	Nil
12	Drinking water to people of nearby areas	**5.55**	36.03
13	Animal Welfare	**13.10**	42.70
	Total	**100.64**	95.73

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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3. Unspent amount

S.No.	Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
1	Unspent (over spent) amount of ealier years	**-33.25**	Nil
2	Liability for the current year	**83.11**	62.48
3	Amount spent during the year	**100.64**	95.73
	Amount un spent/(over spent)	**-50.78**	-33.25

NOTE 37: TAX EXPENSES

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Income tax expense		
Current tax on profits for the year	**3,050.15**	2,011.86
Earlier year tax adjustment	**-**	-
Total current tax expenses	**3,050.15**	2,011.86
Deferred tax		
Decrease/(Increase) in deferred tax assets	**(755.93)**	(2.05)
(Decrease)/Increase in deferred tax liabilities	**(259.63)**	(1,250.10)
Total Deferred tax expense/(benefit)	**(1,015.56)**	(1,252.15)
Recognised in Other comprehensive income	**7.39**	6.01
Income tax expenses	**2,027.18**	753.70

The income tax expense for the year can be reconciled to the accounting profit as follows:

Tax under normal provisions of Income tax act, 1961:

	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
	Net profit before taxes	**8,084.32**	4,544.42
	Exceptional items	**-**	-
(A)	Total Net profit before taxes	**8,084.32**	4,544.42
(B)	Applicable tax rate under normal provisions	**25.17%**	25.17%
(C)	Tax payable under under provisions as per applicable rate "= (A*B)"	**2,034.82**	1,143.83
(D)	Increase/decrease in tax on account of :		
	Depreciation as per books	**1,273.79**	1,265.39
	Depreciation as per income tax act, 1961	**(284.15)**	(417.74)
	Expenses disallowed	**25.25**	24.79
	Section 43B	**-**	(4.48)
	Ind AS adjustments	**-**	(0.05)
	Tax as per normal provision under Income Tax (C+D)	**3,050.15**	2,011.74
	Tax under provisions of MAT:		

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)
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NOTE 37: TAX EXPENSES (Contd..)

	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
	Net profit before taxes	8,084.32	4,544.90
	Exceptional items	-	-
(A)	Total Net profit before taxes	8,084.32	4,544.90
(B)	Applicable tax rate under MAT provisions	17.47%	17.47%
(C)	Tax payable under under provisions as per applicable rate " = (A*B)	1,412.49	794.08
(D)	Increase/decrease in tax on account of :		
	Exempt income	-	-
	Dimunition in value of asset	6.27	0.90
	1/5 of the transition amount u/s 115JB (2C)	0.53	0.53
	Redemption of preference shares effect	-	-
	Tax as per MAT provisions under Income Tax (C+D)	1,419.28	795.51
	Income tax expense recognised in statement of profit and loss at effective rate of 37.72% (31 March, 2020: 44.27%) (Tax as per normal provisions or Tax as per MAT provisions whichever is higher)	3,050.15	2,011.86

NOTE 38: OTHER COMPREHENSIVE INCOME (OCI)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Re-measurement gains/(losses) on defined benefit plan	29.37	23.87
Tax effect on gains/(losses) on defined benefit plan	(7.39)	(6.01)
Net gains/(losses) on FVTOCI equity securities	2,661.38	(6,237.05)
Tax effect on FVTOCI equity securities	(669.82)	1,569.74
Total	2,013.55	(4,649.44)

NOTE 39: EARNING PER SHARE (EPS)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Basic Earning per Share		
Net Profit After Tax available for Equity Shareholders	6057.14	3790.72
Weighted Average Number of Equity Shares of Rs.10/- each	171.65	171.65
Basic Earning per Share	35.29	22.08
Diluted Earning per Share		
Weighted Average Number of Equity Shares **of Rs.10/- each**	171.65	171.65
Diluted Earning per Share	35.29	22.08

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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NOTE 40: FAIR VALUE MEASUREMENTS

Financial Instruments by category

The carrying value of financial instruments by categories as of March 31, 2021 is as follows :

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Investments				
Equity instruments	-	4,319.22	-	4,319.22
Government securities	-	-	0.10	0.10
Venture capital funds	715.00	-	-	715.00
Trade receivables	-	-	9,660.33	9,660.33
Cash and cash equivalents	-	-	698.99	698.99
Bank balances other than Cash and cash equivalents	-	-	13,167.75	13,167.75
Loans			77.02	77.02
Other financial assets	-	-	720.33	720.33
Total Financial assets	**715.00**	**4,319.22**	**24,324.52**	**29,358.74**
Financial liabilities				
Borrowings	-	-	6,116.27	6,116.27
Trade payables	-	-	1,203.43	1,203.43
Other financial liabilities	-	-	1,839.90	1,839.90
Total Financial liabilities	**-**	**-**	**9,159.59**	**9,159.59**

The carrying value of financial instruments by categories as of March 31, 2020 s as follows :

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Investments				
Equity instruments	-	1,842.49	-	1,842.49
Government securities	-	-	0.10	0.10
Venture capital funds	-	-	-	-
Trade receivables	-	-	8,203.01	8,203.01
Cash and cash equivalents	-	-	4,165.06	4,165.06
Bank balances other than Cash and cash equivalents	-	-	4,477.54	4,477.54
Loans	-	-	83.31	83.31
Other financial assets	-	-	710.99	710.99
Total Financial assets	**-**	**1,842.49**	**17,640.01**	**19,482.50**

Notes to financial statements for the year ended 31st March, 2021(Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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Note 40 : Fair value measurements (Contd...)

a) Financial Instruments by category

The carrying value of financial instruments by categories as of March 31, 2020 is as follows :

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial liabilities				
Borrowings	-	-	3,955.01	3,955.01
Trade payables	-	-	2,499.23	2,499.23
Other financial liabilities	-	-	1,624.75	1,624.75
Total Financial liabilities	**-**	**-**	**8,078.99**	**8,078.99**

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 2021 :

Fair value measurement using	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTOCI				
Investment in quoted equity instruments	4,319.22	-	-	4,319.22
Investment property	-	5,099.22	-	5,099.22
Total Financial assets	**4,319.22**	**5,099.22**	**-**	**9,418.44**

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2020 :

Fair value measurement using	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTOCI				
Investment in quoted equity instruments	1,842.49	-	-	1,842.49
Investment property	-	5,099.22	-	5,099.22
Total Financial assets	1,842.49	5,099.22	-	6,941.71

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.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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NOTE 41: 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 is not subject to any externally imposed capital requirements. "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 to capture market opportunities at minimum risk.

Gearing ratio

The Company monitors its capital using gearing ratio as given below:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total Debt*	**69.29**	**677.31**
Equity share capital	**1,716.48**	1,716.48
Other equity	**37,081.11**	29,439.72
Total equity	**38,797.59**	**31,156.20**
Total debt to Total equity ratio	**0.00**	**0.02**

*Total Debt is defined as secured long-term including current maturities of borrowings.

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 Cheif Financial Officer (CFO) 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 CFO, 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 equity securities are susceptible to price risk arising from uncertainities about future value of the investment secutities. The Company's non-current

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)
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41. Capital Management & Risk management (Cont..)

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.

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$. 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 veiw 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 reporting period. The same at the end of the reporting period are as follows

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Currency	Amount in FC	Currency	Amount in FC
Receivables for export	USD	22.10	USD	33.38
Payables for imports	USD	67.49	USD	72.92

Foreign Currency Sensitivity Analysis

The Company is mainly exposed to US Dollor.

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.

	As at 31st March, 2021	As at 31st March, 2020
	Impact on profit before tax	
USD Sensitivity		
Impact due to increase by 5%	(166.82)	(149.04)
Impact due to decrease by 5%	166.82	149.04

Interest Rate Risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial intruments 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. The Company manages by having a balanced portfolio of variable and fixed interest rate borrowings.

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:

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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41. Capital Management & Risk management (Cont..)

	As at 31st March, 2021	As at 31st March, 2020
Impact on profit before tax		
Increase/decrease in base points		
50 base points higher	(0.02)	(2.75)
50 base points lower	0.02	2.75

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 letters of credit 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 letters of credit or against advance receipts. (refer Note No.9 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.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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Financing arrangements

The table below provides details regarding the remaining contractual maturities of financial liabilities as at reporting date

Particulars	On demand	< 1 year	1 - 5 years	5 + years	Total
As at 31st March, 2021					
Bank borrowings	-	-	51.10	-	51.10
Others - Security deposits	177.99	-	-	-	177.99
Total non-current financial liabilities	177.99	-	51.10	-	229.09
Current borrowings	-	6,065.17	-	-	6,065.17
Trade payables	-	1,203.43	-	-	1,203.43
Other current financial liabilities	-	1,661.90	-	-	1,661.90
Total current financial liabilities	-	8,930.50	-	-	8,930.50
Total	**177.99**	**8,930.50**	**51.10**	**-**	**9,159.59**
As at 31st March, 2020					
Bank borrowings	-	-	94.38	-	94.38
Others - Security deposits	127.99	-	-	-	127.99
Total non-current financial liabilities	127.99	-	94.38	-	222.37
Current borrowings	-	3,860.63	-	-	3,860.63
Trade payables	-	2,499.23	-	-	2,499.23
Other current financial liabilities	-	1,496.76	-	-	1,496.76
Total current financial liabilities	-	7,856.62	-	-	7,856.62
Total	**127.99**	**7,856.62**	**94.38**	**-**	**8,078.99**

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 Sensitivity analysis	Natural hedging
Borrowings with floating interest rates	Market risk - interest rate	Sensitivity analysis	Balanced variable and fixed interest rates
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

42. Contingent Liabilities and Commitments:
(to the extent not provided for)

Particulars	**Year Ended 31st March, 2021**	Year Ended 31st March, 2020
Contingent Liabilities		
a) Claims against company not acknowledged as debts	**4.29**	96.72
b) Guarantees issued by banks on behalf of the company and outstanding at end of the year	**124.37**	168.94
Commitments		
a) Consumers cheques / bills discounted with Banks	**0.00**	0.00
b) Unexpired Letters of Credit established by the Company	**5509.07**	6000.00

Notes to financial statements for the year ended 31st March, 2020 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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43. EMPLOYEE BENEFITS:

A) Defined Contribution Plans

Employees contribution to provident fund and Employees state insurance are recognized as expenditure in statement of profit and loss account, as they are incurred. There are no other obligation other than the contribution payable to aforesaid respective Trust/ Government Authorities

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 recognised in financial statements as per Acturial Valuation:

	Particulars	**Year ended 31st March, 2021**	Year ended 31st March, 2020
1.	**Changes in present value of Obligations**		
	Present value at the beginning of the year	**240.20**	221.71
	Interest cost	**15.74**	7.20
	Current Service Cost	**19.78**	37.96
	Cost PSC - Vested	**0.00**	0.00
	Benefits paid	**(12.71)**	(7.12)
	Actuarial (gain)/loss on obligations	**16.57**	0.34
	Present value at the end of the year	**246.44**	240.20
2.	**Changes in fair value of planned assets**		
	Fair value of plan assets at the beginning of the year	**135.39**	128.49
	Expected return on plan assets	**9.29**	9.27
	Contributions	**17.29**	5.10
	Benefits paid	**(12.71)**	(7.12)
	Actuarial (gain)/loss on planned assets	**12.90**	(0.34)
	Fair value of plan assets at the end of the year	**162.16**	135.39
3.	**Amount recognized in the balance sheet**		
	Present value of obligations as at the end of year	**246.44**	240.20
	Fair value of plan assets as at the end of year	**162.16**	135.39
	Net asset/(liability) recognized in balance sheet	**84.28**	104.81
4.	**Expenses recognized in Statement of Profit and Loss**		
	Current service cost	**19.78**	37.96
	Interest cost	**15.74**	7.20
	Expected return on plan assets	**9.29**	(9.27)
	Total Acturial Gain/Loss.	**12.90**	(6.78)
	PSC – Non vested	**(0.00)**	(0.00)
5.	**Amount recognised in Other ComprehensiveIncome**		
	Actuarial (gain)/ loss on obligations	**16.57**	0.34
	Actuarial (gain)/loss - plan assets	**12.88**	(0.34)
	Actuarial (gain)/loss recognized in the year	**12.90**	(6.78)

Notes to financial statements for the year ended 31st March, 2021(Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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44. OPERATING LEASE:

The Company recorded 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 borrowing rate that is applied to lease liabilities as at 1st April, 2020 is 9.50%

The changes in the carrying value of ROU assets for the year ended 31st March, 2021 are as follows:

Particulars	Buildings
Balance as at 1st April 2020	1,042.84
Additions	-
Deletions	-
Depreciation	186.29
Balance as at 31st March, 2021	856.55

The break-up of current and non-current lease liabilities as at 31st March, 2021 is as follows

(₹ in lakhs)

Particulars	As at 31st March, 2021
Current lease liabilities	**171.48**
Non- Current lease liabilities	**845.16**
Total	**1,016.64**

The movement in lease liabilities during the year ended 31st March, 2021 is as follows:

(₹ in lakhs)

Particulars	Buildings
Balance as at 1st April 2020	**1,185.23**
Additions	**-**
Deletions	**-**
Finance cost during the year	**88.59**
Payment of lease	**(257.18)**
Balance as at 31st March, 2021	**1,016.64**

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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The Company has taken a portion of factory land, office premises and movable assets(hydrozen cylinders) on operating lease. And the company has given a portion of land, hatchery unit on operating lease.

A. The total future commitments on Lease Payments **on an undiscounted basis** are detailed hereunder:

Particulars	Year Ended 31st March, 2021
(i) Not later than one year	**246.43**
(ii) Later than one year and not later than five years	**757.28**
(iii)Later than five years	**1121.57**

B. The total future Receivables on Lease Receipts are detailed hereunder:

Particulars	Year Ended 31st March, 2021
(i) Not later than one year	**18.00**
(ii) Later than one year and not later than five years	**72.00**
(iii)Later than five years	**Nil**

C. Lease Receipts recognized in the Profit and Loss Account is Rs.48.40 Lakhs during the year 2020-21.

45. SEGMENT REPORTING:

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Segment Revenue		
a) Chemicals	**57,449.40**	55,987.46
b) Trading	**32616.54**	11,725.50
c) Power generation	**6892.41**	6,765.20
d) unallocated	**663.21**	391.69
TOTAL	**97621.56**	74,869.85
Less: Inter segment revenue	**(5875.84)**	(5,567.94)
Net Sales/Income from Operations	**91,745.73**	69,301.91
Segment Results Profit/(Loss) Before tax and interest:		
a) Chemicals	**6209.31**	4399.26
b) Trading	**897.72**	180.62
c) Power generation	**864.02**	442.29
d) unallocated	**663.21**	391.69
TOTAL	**8634.25**	5,413.86
Less: I) a) Interest Expenses	**(547.56)**	(868.96)
Total Profit before Tax	**8086.70**	4544.90
Segment Assets		
a) Chemicals	**42078.09**	35,885.36
b) Tranding	**864.93**	1,886.96
c) Power generation	**3,903.85**	4,868.29
d) Others	**5045.32**	1,843.59
TOTAL	**51,892.19**	44,484.20
Segment Liabilities		
a) Chemicals and Trading	**12,922.42**	12,147.63
b) Trading	**153.42**	163.84
b) Power generation	**15.90**	550.20
c) Others	**-**	465.85
TOTAL	**13,091.75**	13,327.52

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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46. RELATED PARTY DISCLOSURES

As required under Ind As 24, Related Party Disclosures, the following are the related parites identified, transactions with such related parties during the year ended 31st March, 2021 and the balances as on that date are given below:

Related party Transactions:

1.	**Related Parties**	Transactions during the year
1.1	**Subsidiary Company**	
	TGV Sodium & Electrolite Private Limited	Yes
1.2	**Person has control or significant influence on the Company**	
	T G Bharath	Yes
1.3	**Close members of family of T G Bharath**	
	T G Venkatesh – Father	Yes
1.4	**Entities controlled by T G Bharath and close members of his family**	
	TGV SRAAC Limited	Yes
	T G V Projects & Investments Private Limited	Yes
	SreeRayalaseema Galaxy Projects Private Limited	Yes
	Gowri Gopal Hospitals Private Limited	Yes
	Brilliant Bio-Pharma Private Limited	No
	Brilliant Industries Private Limited	No
	Sree Guru Raghavendra Film Exhibitors Private Limited	No
	T G V Securities Private Limited	No
	Vibhu Cement Private Limited	No
	SreeMaruthiAgrotech Private Limited	No
	Nectar Laboratories Private Limited	No
	SreeMaruthi Marine Industries Limited	No
	SreeRayalaseema Dutch Kassenbouw Private Limited	No
	GGICU LLP	No
	TGV Industries Private Limited	Yes
	M V SALTS and chemicals Private Limited	Yes
1.5	**Key Managerial Personnel**	
	T G Bharath – CMD	Yes
	V Surekha – Company Secretary	Yes
	ShaikIfthekhar Ahmed – Chief Financial Officer	Yes

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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46. Related Party Disclosures (Contd...)

a. Transactions during the year :

Particulars	Related Parties as per para 1.1,1.2,1.3,1.4,1.5				
	1.1	1.2	1.3	1.4	1.5
Purchase / subscriptions in investments	10.00	Nil	Nil	480.00	Nil
Redemption of investments(CRPS)	Nil	Nil	Nil	Nil	Nil
Net loans and advances given / received	Nil	Nil	Nil	300.00	Nil
Revenue from operations	Nil	Nil	Nil	10150.57	Nil
Purchase of raw material / Material consumed	Nil	Nil	Nil	15753.54	Nil
Employee benefits	Nil	416.45	Nil	Nil	16.63
Rent	Nil	51.82	63.14	240.24	Nil
Services Received	Nil	260.00	260.00	576.43	Nil
Rental Deposit	Nil	Nil	Nil	Nil	Nil

b. Outstanding balances

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Other Current Assets - Advances to Related Parties	**2794.83**	1132.75
Other Current Financial Liability	**176.45**	0.00
Other Non Current Assets	**209.88**	294.81
Rental Deposit to Key Managerial Personnel (KMP) and Relative of KMP	**160.00**	160.00

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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c) Summary of transactions with the above related parties as follows:
Enterprises where significant influence of key managerial personnel or their relatives exists:

Name of the party	Nature of Transaction	For the year ended 31.03.21	For the year ended 31.03.20
TGV SRAAC Ltd	Purchases	**12,477.94**	13291.50
	SalesLease	**9953.05**	6320.02
	Rentals	**7.46**	6.53
Gowri Gopal Hospitals Pvt Limited	Purchases	**12.84**	1.55
	Sales	**3.18**	2.87
	Lease Rentals	**19.04**	19.04
	Serivces Received	**37.91**	18.66
TGV Projects and Investments Pvt Ltd.,	Purchases	**0.00**	0.05
	Sales	**1.36**	1.04
	Lease Rentals	**213.73**	202.80
	Serivces Received	**101.07**	164.16
Sree Rayalaseema Galaxy Projects Ltd.,	Purchases	**18.21**	26.30
	Sales	**109.22**	137.23
	Serivces Received	**436.40**	492.03
TGV INDUSTRIES PVT LTD	Purchases	**3244.55**	0.00
	Sales	**83.75**	0.00
GG ICU LLP	Services Received	**1.03**	0.00
Shri TG Venkatesh,	Rent paid	**63.14**	63.14
	Services Received	**260.00**	260.00
Shri. TG BHARATH, Chairman and Managing Director	Rent paid	**51.82**	47.11
	Remuneration	**416.45**	201.29
	Employers Contribution to P.F.	**0.67**	0.59
	Services Received	**260.00**	260.00
Smt. V. Surekha Company Secretary	Remuneration	**7.59**	7.39
	Employers Contribution to P.F.	**0.20**	0.36
Sri S Ifthekhar Ahmed Chief Financial Officer	Remuneration	**8.64**	8.57
	Employers Contribution to P.F.	**0.19**	0.36

47. Income and expenditure in foreign currency and Foreign Currency Exposures
Earnings in Foreign Currency

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
FOB value of exports	**23,921.55**	24,076.77

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

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Expenditure in Foreign Currency

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
i) Commission Paid	**77.78**	71.48
ii)Freight and CFS	**3006.90**	2925.75
iii)Machinery and Spares	**34.71**	725.16
iv)Fee and Charges	**0.86**	0.00
v)Other	**0.35**	0.00

Value of Imports (Calculated on C.I.F basis):

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw Materials & Coal	**29,413.08**	8,519.82

48. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

The Company is required to furnish required details under section 22(i) to clause (v) of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT) read with para FV of General Instructions for balancesheet in Division II of Schedle III to the Companies Act, 2013 (the ACT). As per the said regulations required information inrespect of MSMED entities are, as per information submitted by the suppliers to the company, furnished below:

(₹ in lakhs)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
a)	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end. (all dues were paid before year end)	**261.93**	143.31
b)	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end;	**Nil**	Nil
c)	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**Nil**	Nil
d)	Principal payment made to suppliers registered under the MSMED Act, beyond the appointed day during the year;	**Nil**	Nil
e)	Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**Nil**	Nil
f)	Interest due and payable for the year amount of interest accrued and remaining unpaid at the end of each year towards suppliers registered under MSMED Act, for payments already made; and	**Nil**	Nil
g)	Further interest remaining due and payable for even in succeeding years.	**Nil**	Nil

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
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49. REVENUE FROM CONTRACTS WITH CUSTOMERS:

The Company is producer of Calcium Hypochlorite, Sulphuric Acid, Stable Bleaching Powder, Hydrogen Gas, Sodium Methoxide, Sodium Hydride and also in coal trading and Generation and Distribution of Power.

Revenue is recognized 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 recognized 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 recognized 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 recognized when the right to receive dividend is established.

A. Disaggregate Revenue Information

The disaggregated revenue from contracts with the customers for the year ended March 31, 2021 by offerings and contract type

(₹ in lakhs)

Sl.No.	**Revenue by contract type**	**As at 31st March, 2021**	As at 31st March, 2020
1	Fixed time frame	**87,619.91**	65,140.79
2	Time and material	**3,294.28**	3,134.62

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 Ind AS 115 is Rs.350.00 Lakhs out of which, approximately 100% is expected to be recognized as revenues within one year and the balance beyond one year.

Notes to financial statements for the year ended 31st March, 2021 (Contd...)
(All amounts in Indian Rupees in Lakhs, except share data and where otherwise stated)

Consolidated

50. VALUE OF RAW MATERIALS CONSUMED

PARTICULARS	As at 31st March, 2021		As at 31st March, 2020	
	Rs in lakhs	%	Rs in lakhs	%
a) Imported	29,413.08	53.93	8,519.82	29.97
b) Indigenous	25127.55	46.07	19,907.01	70.03
Total	54,540.63	100	28,426.83	100.00

51. ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT 2013 OF ENTERPRISE CONSOLIDATES AS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

Name of the Entity	Net Assets i.e Total Assets-Total liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Net Profit	Amount
Parent				
Indian				
Sree Rayalaseema Hi-Strength Hypo Limited	100.01	38,800.44	100.04	6,059.51
Subsidaries				
Indian				
TGV Sodium & Electrolite Private Limited	-0.01	-2.370	-0.04	-2.370
Minority interest in Subsidary	0.00	0.00	0.00	0.00
Associate				
Indian				
TGV SRACC limited (see note below)	-	-		
Total	100%	38,798.07	100%	6057.14

Note: Reason for not consolidating of Associte in consolidated Financial statements as below:

The Company holds more than 20% of the Share Capital in TGV SRAAC Limited as on 31.03.2021.It does not exercise any control and or does not have significant influence over TGV SRAAC limited and the companies holding is expected to be reduced below 20% in next Financial Year .Hence its not considered as Associate of the company as per Ind AS -28. The investments have been accounted as per AS-109-investment.

52. Previous figures have been regrouped/rearranged to make them comparable with current year figures.

53. ROUNDING OFF
Figures shown in the Financial Statements have been rounded off to the nearest Lakhs.

As per our report of even date attached.
For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN:21025266AAAADC8835
Place: Kurnool
Date : June 30, 2021

For and on behalf of the Board

Sd/-
Sri T.G.Bharath
Chairman & Managing Director

Sd/-
Smt. R. Triveni
Director

Sd/-
Smt. V.Surekha
Company Secretary

Sd/-
Sri S. Ifthekhar Ahmed
Chief Financial Officer

Place : Kurnool
Date : June 30, 2021

TGV
GROUP

If undelivered, please return to :

Sree Rayalaseema Hi-Strength Hypo Limited
T.G.V. Mansion, 6-2-1012, 4th Floor,
Above ICICI Bank, Khairatabad,
Hyderabad - 500 004.
Telangana State. India.