



# BHAGYANAGAR INDIA LIMITED

ISO-9001-2008 Certified Company

Registered Office :

Plot No. 9/13/1 & P-9/14, I.D.A. Nacharam,  
Hyderabad -500 076. Telangana, India.

Tel. : +91 40 27152861, 27151278

Fax : +91 40 27172140, 27818868

Email : bil@surana.com

Website : www.bhagyanagarindia.com

CIN No. : L27201TG1985PLC012449

**BIL/SECT/O 28 /2022-23**

**Date: 03<sup>rd</sup> September, 2022**

The Secretary, <b>National Stock Exchange of India Ltd.,</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051	The Secretary, <b>BSE Limited,</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001
<b>Scrip Code: BHAGYANGR</b>	<b>Scrip Code: 512296</b>

Dear Sir/Madam,

**Sub: Submission of Notice of 37<sup>th</sup> Annual General Meeting and Annual Report for the financial year 2021-22 under Regulation 30 and 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

This is to inform you that the 37<sup>th</sup> Annual General Meeting ('AGM') of the members of the Company is scheduled to be held on **Wednesday, 28<sup>th</sup> September, 2022 at 10:00 A.M.** through Video Conference ('VC') / Other Audio Visual Means ('OAVM') without physical presence of the members at a common venue, in compliance with the provisions of the Companies Act, 2013 and Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015 ('SEBI Listing Regulations, 2015') read with MCA Circulars May 5, 2020, April 8, 2020, April 13, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 5, 2022 (collectively referred to as 'MCA Circulars') and SEBI Circulars dated May 12, 2020, January 15, 2021 and May 13, 2022 (collectively referred to as 'SEBI Circulars'), to transact the business as set out in the Notice convening the 37<sup>th</sup> AGM.

In this connection, please find enclosed herewith 37<sup>th</sup> Annual Report of the Company for the financial year ended 31<sup>st</sup> March, 2022 along with the Notice of AGM.

In terms of Regulation 46 of the SEBI Listing Regulations, 2015, the said Annual Report and Notice of 37<sup>th</sup> AGM and other relevant documents are also uploaded on the Company's website at [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com).

Further, in terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations, 2015, the Company is providing the facility to its Members (holding shares either in physical or dematerialised form) to exercise their right to vote by electronic means through remote e-voting or voting through electronic means during the AGM, on the businesses specified in the Notice convening the 37<sup>th</sup> AGM of the Company.

This is for your information and record.

Thanking you,

Yours faithfully,

For **BHAGYANAGAR INDIA LIMITED**

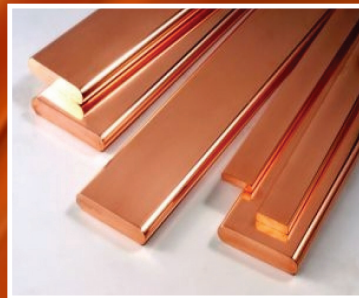
**DEVENDRA SURANA**  
**MANAGING DIRECTOR**





# BHAGYANAGAR INDIA LIMITED

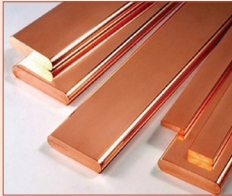
37<sup>th</sup> Annual Report  
2021-22



Auto and Electrical Components

Copper - Sheet, Pipes, Foils and Bus Bars

# COPPER PRODUCT RANGE



## Copper Flats / Copper Bus Bars

Cross section	Width	Thickness	Standards
upto 3000 mm <sup>2</sup>	upto 200 mm	up to 50 mm	IS, BS, DIN, EN, ASTM, etc.



## Paper Insulated Copper Conductor (PICC)

Dimensions	Copper Strips	Copper wires
	Width: 3mm – 16mm	Diameter: 1.2mm -2.5mm
	Thickness: 1.22mm-6mm	



## Copper Foils

Width: 11MM – 130MM
Thickness: .05MM – 3MM



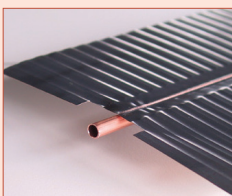
## Copper Nugget

Oxygen Free OFC	Diameter(mm)	
	(mm)	(inch)
%Cu 99.995 min	8.0	0.315
Oxygen %<10ppm	10.0	0.393
	12.5	0.492



## Copper Wires & Rods

Diameter: 1.1mm – 100mm
Applications: Automobiles



## Solar Fins

FIN: T 0.10 x W 115 x L 1892 mm
Tube: D 12.7 x G 0.4 x L 1922 mm

## BOARD OF DIRECTORS

Narender Surana	-	Managing Director
Devendra Surana	-	Managing Director
R Surender Reddy	-	Independent Director
Kamlesh Gandhi	-	Independent Director
Sanjana Jain	-	Independent Director
N.C.Bhardwaj	-	Whole-time Director

### STATUTORY COMMITTEES

#### AUDIT COMMITTEE

Kamlesh Gandhi	-	Chairman
R Surender Reddy	-	Member
Sanjana Jain	-	Member
Devendra Surana	-	Member

#### NOMINATION & REMUNERATION COMMITTEE

R Surender Reddy	-	Chairman
Kamlesh Gandhi	-	Member
Sanjana Jain	-	Member

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

Sanjana Jain	-	Chairman
Narender Surana	-	Member
Devendra Surana	-	Member

#### CHIEF FINANCIAL OFFICER

Surendra Bhutoria

#### COMPANY SECRETARY

Srinivas Dudam (from 07.08.2021)

#### BANKERS

- HDFC Bank Limited ● State Bank of India
- ICICI Bank ● HSBC Limited

#### STATUTORY AUDITORS

##### Luharuka & Associates

Chartered Accountants  
5-4-187/3&4, Soham Mansion, 2<sup>nd</sup> Floor,  
Above Bank of Baroda, M G Road,  
Secunderabad - 500 003

#### INTERNAL AUDITORS

##### Sekhar & Co.,

Chartered Accountants  
133/4, R. P. Road, Secunderabad – 500 003

#### COST AUDITORS

##### Lavanya & Associates

H. No. 8-3-976/29, Shalivahana Nagar,  
Srinagar Colony (Post), Hyderabad – 500 073

### SECRETARIAL AUDITOR

#### Rakhi Agarwal

Company Secretary in Practice  
6-3-660, Flat 520, Block 4, Amrit Apartments,  
Kapadia Lane, Somajiguda, Hyderabad- 500082

### REGISTRAR & TRANSFER AGENTS

#### KFin Technologies Limited

KFintech, Tower - B,  
Plot No 31 & 32, Selenium Building,  
Financial District, Nanakramguda,  
Gachibowli, Hyderabad – 500 032  
Tel No.040-67162222 / 040-79611000  
E-mail: einward.ris@kfintech.com  
Website: www.kfintech.com

### WORKS

#### Copper Division

- i. **Bhagyanagar India Limited**  
Plot No. P-9/13(1) & P-9/14,  
IDA, Nacharam, Hyderabad – 500076.
- ii. **Hardware Park**  
Plot No. 228, Raviryal Village,  
Maheshwaram Mandal  
Ranga Reddy Dist, Hyderabad – 532409

### NON-CONVENTIONAL ENERGY

#### WIND POWER

Kapatgudda, Gadag District, Karnataka – 582 101

### REGISTERED OFFICE

#### Bhagyanagar India Limited

Plot No.P-9/13/1 & P-9/14, IDA,  
Nacharam, Hyderabad – 500076  
Tel: 040-27152861, 27175891, 27151278,  
Fax: +91 40 27172140  
E-mail: surana@surana.com  
Investor Complaints: cs@surana.com,  
investorservices\_bil@surana.com  
Website: www.bhagyanagarindia.com,  
www.surana.com  
CIN: L27201TG1985PLC012449

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## NOTICE OF 37<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 37<sup>th</sup> Annual General Meeting of the members of Bhagyanagar India Limited will be held on Wednesday, the 28<sup>th</sup> September, 2022 at 10.00 A.M. (IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

### ORDINARY BUSINESS:

#### 1. To receive, consider and adopt:

- a) the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022, 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 31<sup>st</sup> March, 2022, together with the Report of the Auditors thereon.

#### 2. To appoint a Director in place of Shri Devendra Surana, who retires by rotation and being eligible, offers himself for re-appointment.

#### 3. To re-appoint M/s. Luharuka & Associates, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration:

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

**"RESOLVED THAT** pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Luharuka & Associates, Chartered Accountants (Firm Registration No. 01882S) be and are hereby re-appointed as the Statutory Auditors of the Company for second term of five consecutive years, who shall hold office from the conclusion of this 37<sup>th</sup> Annual General Meeting till the conclusion of the 42<sup>nd</sup> Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### SPECIAL BUSINESS:

#### 4. Re-appointment of Shri Naresh Chand Bhardwaj (08761949) as Whole-time Director of the Company:

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013, as recommended by the Nomination and Remuneration Committee, the consent of members be and is hereby accorded to approve the re-appointment of Shri Naresh Chand Bhardwaj (DIN: 08761949), as Whole-time Director of the Company for a period of three years w.e.f. 23<sup>rd</sup> June, 2023 to 22<sup>nd</sup> June, 2026, on a managerial remuneration of ₹ 1,41,000/- per month (inclusive of all allowances & perquisites), with an annual increment upto 20% of the previous year's remuneration, and that he shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** Shri Naresh Chand Bhardwaj, shall also be entitled for reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits / amenities and other privileges, as may from time to time, be available to other senior executives of the Company as per the service rules of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Shri Naresh Chand Bhardwaj, Whole-time Director, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to approval of shareholders and other necessary approvals, if any.

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

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

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactments thereof, for the time being in force), the cost audit fees of ₹ 25,000/- (Rupees

Twenty Five Thousand Only) to be paid to M/s Lavanya & Associates, Cost Accountants in practice, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2022-23 be and is hereby approved and ratified.

**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”.

By Order of the Board  
For **BHAGYANAGAR INDIA LIMITED**

**DEVENDRA SURANA**  
**MANAGING DIRECTOR**  
**DIN: 00077296**

Place: Secunderabad  
Date : 05.08.2022

**NOTES:**

1. The Ministry of Corporate Affairs ('MCA') vide its circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 08, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 5, 2022 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 ('SEBI Circulars') have permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), without physical presence of the Members at a common venue. In compliance with these MCA and SEBI Circulars, applicable provisions of the Act (including any statutory modifications or re-enactments thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the 37<sup>th</sup> AGM of the Company is being conducted through VC/OAVM on Wednesday, 28<sup>th</sup> September, 2022 at 10:00 A.M. (IST). The deemed venue for the 37<sup>th</sup> AGM shall be at the Registered Office of the Company at Plot No. P-9/13/1 & P-9/14, IDA, Nacharam, Hyderabad – 500 076.  
  
KFin Technologies Limited, Registrar & Transfer Agents of the Company ("KFin" or "KFintech") shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The instructions for participation by Members are given in the subsequent paragraphs.
2. Pursuant to the provisions of the circulars on the VC/OVAM, members can attend the meeting through login credentials provided to them to connect to Video Conference (VC) / Other Audio Visual Means (OAVM). Physical attendance of the Members at the Meeting venue is not required. Bodies Corporate are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. A proxy is allowed to be appointed under Section 105 of the Companies Act, 2013 to attend and vote at the general meeting on behalf of a member who is not able to attend personally. Since, the AGM will be conducted through VC / OAVM, there is no requirement of appointment of proxies. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2022 to 28.09.2022 (both days inclusive) for the purpose of annual closure.
5. The facility of joining the AGM through VC / OAVM will be opened 15 minutes before and will remain open upto 15 minutes after the scheduled start time of the AGM and will be available for 1000 members on a first-come first-served basis. This rule would however not apply to participation in respect of large Shareholders (Shareholders holding 2% or more shares of the Company), Promoters, Institutional Investors, Auditors, Key Managerial Personnel and Directors of the Company including Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.
6. Members attending the AGM through VC/OAVM (member's logins) shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. **Dispatch of Annual Report through electronic mode:** In compliance with the above referred MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/ P/2020/79 dated May 12, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice of this AGM along with Annual Report for the financial year 2021-22 will also be available on the Company's website [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Ltd at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of Company's Registrar and Transfer Agents, KFintech at <https://evoting.kfintech.com/>.
8. Members are requested to register/update their email addresses for receiving all communication (including Annual Report) from the Company electronically:
  - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [investorservices\\_bil@surana.com](mailto:investorservices_bil@surana.com) or to KFintech at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
9. Members who would like to ask questions/express their views on the items of the businesses to be transacted at the AGM can send their questions / comments in advance by visiting URL <https://emeetings.kfintech.com> and clicking on the tab 'Post your Queries' during the period starting from 24<sup>th</sup> September, 2022 (9.00 a.m. IST) to 27<sup>th</sup> September, 2022 (5.00 p.m. IST) mentioning their name, demat account no. / Folio no., Email Id, mobile number etc. The queries so raised must also be mailed to [investorservices\\_bil@surana.com](mailto:investorservices_bil@surana.com). The queries should be precise and in brief to enable the



Company to answer the same suitably depending on the availability of time at the meeting.

10. Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the "Annexure" to the Notice. Director seeking appointment/re-appointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.
11. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is annexed hereto.
12. In accordance with the proviso to Regulation 40(1) of the SEBI Listing Regulations, effective from 1<sup>st</sup> April, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.
13. **Updation of PAN and other details:** SEBI vide Circular dated 03<sup>rd</sup> November, 2021 and 14<sup>th</sup> December, 2021 has mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, e-mail address, mobile number, bank account details) and nomination details by holders of physical securities through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) available at [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com). PAN details are to be compulsorily linked to Aadhaar by 31<sup>st</sup> March, 2023 or any other date specified by Central Board of Direct Taxes. Folios wherein any of the above cited documents / details are not available, on or after 01<sup>st</sup> April, 2023, shall be frozen as per the aforesaid circular. Effective from 01<sup>st</sup> January, 2022, any service requests/complaints received from a Member holding physical securities will not be processed by the Registrar till the aforesaid details/documents are provided to the Registrar.
14. Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registration of nomination, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) in case the shares are held in physical form, in the prescribed form, pursuant to the SEBI Circular dated 03<sup>rd</sup> November, 2021. Changes intimated to the DP will then be automatically reflected in the Company's records.
15. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination. Members holding shares of the Company in physical form are requested to go through the requirements on the website of the Company at [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com) to furnish the abovementioned details.
16. Members may please note that SEBI vide its Circular dated 25<sup>th</sup> January, 2022 has mandated Listed Companies to issue securities in demat form only while processing service requests viz., issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the 'Investors' section.
17. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14. The said form can be downloaded from the Company's website at [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com) (under 'Investor Relations' section). Members are requested to submit the said form to their DP in case the shares are held by them in electronic form and to the RTA at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) in case the shares are held in physical form, quoting your folio no.
18. **Compulsory transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Authority:** Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares on which dividend has not been claimed for seven consecutive years or more shall be transferred to IEPF Authority.

The Company has transferred 33,950 equity shares to Investor Education and Protection Fund during the financial year ended 31<sup>st</sup> March, 2022.

To claim the equity shares and dividend which were transferred to IEPF, the shareholders may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend / shares so transferred.

In accordance with the IEPF Rules, the Company has sent individual communication to all Members to claim their dividends before due date to avoid transfer of dividends / shares to IEPF Authority and a Notice in this regard is also published in the Newspapers. It may be noted that unclaimed dividend for the financial year 2014-15 declared on 30.09.2015 is due to be transferred to the IEPF on 30.10.2022 and accordingly the shareholders are requested to claim their unclaimed dividend on or before the said due date. The details of unclaimed dividends and shareholders whose shares

are liable to be transferred to the IEPF Authority have been uploaded on company's website at <http://www.bhagyanagarindia.com/unclaimed-dividend-shares.php>

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed Dividend amounts lying with the Company as on 29<sup>th</sup> September, 2021 (day of 36<sup>th</sup> Annual General Meeting) on the website of the Company ([www.bhagyanagarindia.com](http://www.bhagyanagarindia.com)) and also on the website of Ministry of Corporate Affairs.

The Shareholders who have not encashed their dividends are requested to make their claim either to M/s KFin Technologies Limited, Registrar and Share Transfer Agent or to Registered Office of the Company.

**19. Information and Instructions for e-voting and joining the AGM of Company are as follows:**

- a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is pleased to provide to its Members, facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means. The Members may cast their votes using electronic voting system from any place ('remote e-voting'). The Company has engaged the services of Kfin Technologies Limited ("Kfin") as the Agency to provide e-voting facility to members.
- b) The Board of Directors of the Company has appointed Mrs. Rakhi Agarwal, Practicing Company Secretary, Hyderabad as Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for the said purpose.
- c) Voting right of the members shall be reckoned in proportion to their shares held in the paid-up equity share capital of the Company as on Wednesday, 21<sup>st</sup> September, 2022 ("Cut- off date"). Person who is not a member as on the cut-off date should treat the Notice for information purpose only.
- d) A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories (viz. CDSL / NSDL) as on the cut-off date i.e. Wednesday, 21<sup>st</sup> September, 2022 only shall be entitled to avail the facility of remote e-voting for the resolutions placed in the AGM. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.

- e) The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- f) The remote e-voting facility will be available during the following period:

**Commencement of remote e-voting:** From 9:00 a.m. (IST) on Saturday, 24<sup>th</sup> September, 2022.

**End of remote e-voting:** At 5:00 p.m. (IST) on Tuesday, 27<sup>th</sup> September, 2022.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled / blocked thereafter by the e-voting service providers. Once the vote on a resolution is cast by the Member(s), they shall not be allowed to change it subsequently or cast the vote again.

- g) The remote e-voting process, in relation to the resolutions proposed at 37<sup>th</sup> AGM of the Company has been segregated into 3 parts which is mentioned as hereunder:
  - (I) e-voting in case of Physical Shareholders & Non- Individual Shareholders (physical/ demat)
  - (II) e-voting in case of Individual Shareholders having shares in electronic/demat mode
  - (III) e-voting in case of attending AGM and voting thereat.

**INSTRUCTION FOR REMOTE E-VOTING**

- (I) **In case of Physical Shareholders & Non- Individual Shareholders (Physical / Demat):**
  - a. Initial password is provided in the body of the e-mail.
  - b. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
  - c. Enter the log in credentials i.e. User ID and password mentioned in your e-mail. Your Folio No. / DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.
  - d. After entering the details appropriately, click on LOGIN.
  - e. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- f. You need to login again with the new credentials.
- g. On successful login, the system will prompt you to select the EVENT. Select Bhagyanagar India Limited.
- h. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting / dissenting to the resolution, enter all shares and click 'FOR' / 'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and / or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- i. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
- j. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can log in multiple times till you are confirmed that you have voted on the resolution.
- k. In case of any queries / grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin Technologies Ltd. on 1800 309 4001 (toll free).
- l. Any person who becomes a Member of the Company after sending the Notice of the meeting but on or before the cut-off date viz. 21<sup>st</sup> September, 2022 may obtain the USER ID and Password for e-voting in the following manner or may write an email on [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for obtaining support in this regard.
  - (i) If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event number+ Folio No. (in case of physical shareholders) or DP ID Client ID (in case of Dematted shareholders) to 9212993399.

Example for NSDL	MYEPWD <SPACE> IN12345612345678
Example for CDSL	MYEPWD <SPACE> 1402345612345678
Example for Physical	MYEPWD <SPACE> XXX1234567890

- (ii) If e-mail address or mobile number of the Member is registered against Folio No. /DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- (iii) Member may call KFin toll free number 1-800- 3094-001 for all e-voting related matters.
- (iv) Member may send an e-mail request to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for support related to e-voting matter.

**(II) In case of Individual Shareholders having shares in electronic / demat mode:**

Such shareholder(s) may refer the e-voting process mandated for them vide SEBI circular dated 09<sup>th</sup> December, 2020 and should follow following process for remote e-voting:

**Login method for e-voting:**

As per the SEBI circular dated December 09, 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. The remote e-voting process of the Depositories viz., NSDL and CDSL are different which are stated below to facilitate the members.

NSDL	CDSL
<p><b>1. User already registered for IDeAS facility: **</b></p> <ol style="list-style-type: none"> <li>i. URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a></li> <li>ii. Click on the “Beneficial Owner” icon under ‘IDeAS’ section.</li> <li>iii. On the new page, enter existing User ID and Password. Post successful authentication, click on “Access to e-Voting”</li> <li>iv. Click on company name or e-voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period.</li> </ol> <p><b>2. User not registered for IDeAS e-Services:</b></p> <ol style="list-style-type: none"> <li>i. To register click on link : <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> (Select “Register Online for IDeAS”) or <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>ii. Proceed with completing the required fields.            **(Post registration is completed, follow the process as stated in point no. 1 above)</li> </ol> <p><b>3. First time users can visit the e-Voting website directly and follow the process below:</b></p> <ol style="list-style-type: none"> <li>i. URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a></li> <li>ii. Click on the icon “Login” which is available under ‘Shareholder/ Member’ section.</li> <li>iii. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>iv. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</li> <li>v. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>	<p><b>1. Existing user who have opted for Easi/Easiest: **</b></p> <ol style="list-style-type: none"> <li>i. URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Click on New System Myeasi</li> <li>iii. Login with user id and password.</li> <li>iv. Option will be made available to reach e-Voting page without any further authentication.</li> <li>v. Click on e-Voting service provider name to cast your vote.</li> </ol> <p><b>2. User not registered for Easi/Easiest:</b></p> <ol style="list-style-type: none"> <li>i. Option to register is available at : <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>ii. Proceed with completing the required fields.            **(Post registration is completed, follow the process as stated in point no. 1 above)</li> </ol> <p><b>3. First time users can visit the e-Voting website directly and follow the process below:</b></p> <ol style="list-style-type: none"> <li>i. URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Provide demat Account Number and PAN No.</li> <li>iii. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>iv. After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.</li> <li>v. Click on company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>

**Individual Shareholders (holding securities in demat/electronic mode) can also login through their Depository Participants (DPs) as per following process:**

You can also login using the login credentials of your Demat Account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once login, you will be able to see e-voting option. Click on e-voting option and you will be redirected to NSDL / CDSL Depository site after successful authentication. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

**Important note:**

Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22-23058542-43.

**(III) E-Voting in case of attending AGM and voting thereat:**
**Attending of AGM:**

- a. Members will be able to attend the AGM through VC/OAVM facility provided by KFin at <https://emeetings.kfintech.com> by clicking on the tab 'video conference' and using their remote e-voting login credentials as provided by Kfintech. The link for AGM will be available in Member's login where the EVENT and the name of the Company can be selected.
- b. Members are encouraged to join the meeting through Laptops with Google Chrome for better experience.
- c. Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance / glitch / garbling etc. during the meeting.
- d. While all efforts would be made to make the VC/OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.
- e. Members, who would like to express their views or ask questions during the AGM will have to register themselves as a speaker by visiting the URL <https://emeetings.kfintech.com> and clicking on the tab 'Speaker Registration' and mentioning their registered e-mail id, mobile number and city, during the period starting from 24<sup>th</sup> September, 2022 (9.00 a.m. IST) to 27<sup>th</sup> September, 2022 (5.00 p.m. IST). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM and the maximum time per speaker will be restricted to 3 minutes.
- f. Members who want to get their pre-recorded video uploaded for display during the AGM of the Company, can also upload the same by visiting <https://emeetings.kfintech.com> and uploading their

video in the 'Speaker Registration' tab, during 24<sup>th</sup> September, 2022 to 27<sup>th</sup> September, 2022, subject to the condition that size of such video should be less than 50 MB.

- g. The Company reserves the right to restrict the number of speakers and display of videos uploaded by the Members depending on the availability of time for the AGM. Please note that questions of only those Members will be entertained/considered who are holding shares of Company as on the cut-off date.
- h. Members who need technical or other assistance before or during the AGM can contact KFin by sending email at [emeetings@kfintech.com](mailto:emeetings@kfintech.com) or Helpline: 1800 309 4001 (toll free). For any other kind of support / assistance related to the AGM, members may also write to [investorservices\\_bil@surana.com](mailto:investorservices_bil@surana.com).
- i. Due to limitations of transmission and coordination during the Q&A session, the Company may dispense with the speaker registration during the AGM conference.

**Voting at AGM (INSTAPOLL):**

- a. Only those members / shareholders who hold shares as on the cut-off date i.e., 21<sup>st</sup> September, 2022 and who have not casted their vote earlier through remote e-voting are eligible to vote through e-voting during the AGM.
- b. Members who have voted through remote e-voting will be eligible to attend the AGM.
- c. Upon declaration by the Chairperson about the commencement of e-voting at AGM, Members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the AGM, which will take them to the 'Instapoll' page.
- d. Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
- e. The electronic voting system for e-voting at AGM, as provided by KFin Technologies Ltd, shall be available for 15 minutes from the time of commencement of voting declared by the Chairman at the AGM.

**GENERAL INSTRUCTIONS:**

- i. The Scrutinizer shall, within a period two working days from the conclusion of the Annual General meeting unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report containing the details with respect to votes cast in favour, against, neutral/abstained, shall submit the Report to the Chairman of the Company.
- ii. Subject to the receipt of sufficient votes, the resolution shall be deemed to be passed at the 37<sup>th</sup> Annual General Meeting of the Company scheduled to be held on 28<sup>th</sup> September, 2022, the results declared along

with the Scrutinizer's Report shall be submitted to BSE and NSE and also placed on the Company's website [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com), within two working days of conclusion of the Annual General Meeting.

**GENERAL INFORMATION:**

- i. The Company's equity shares are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 and National Stock Exchange of India Ltd., Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 and the Company has paid the Listing Fees to the said Stock Exchanges.
- ii. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at KFin Technologies Limited (Unit: Bhagyanagar India Limited), KFinTech, Tower- B, Plot No. 31 & 32, selenium Building Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032, Telangana State, India.
- iii. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investorservices\\_bil@surana.com](mailto:investorservices_bil@surana.com)/ [cs@surana.com](mailto:cs@surana.com).

By Order of the Board  
For **BHAGYANAGAR INDIA LIMITED**

**DEVENDRA SURANA**  
**MANAGING DIRECTOR**  
**DIN: 00077296**

Place: Secunderabad  
Date: 05.08.2022

## EXPLANATORY STATEMENT

[Pursuant to Section 102(1) of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

### Item No. 3:

M/s. Luharuka & Associates, Chartered Accountants (Firm Registration No. 01882S) were appointed as Statutory Auditors of the Company at the 32nd Annual General Meeting ('AGM') held on 26<sup>th</sup> September, 2017 for a period of 5 years, up to the conclusion of ensuing 37th AGM. Accordingly M/s. Luharuka & Associates, Chartered Accountants, will complete their first term of five consecutive years as the statutory auditors of the Company at the conclusion of 37th AGM of the Company. Pursuant to Section 139(2) of the Companies Act, 2013, M/s. Luharuka & Associates, Chartered Accountants are eligible for re-appointment for a further period of 5 years. M/s. Luharuka & Associates, Chartered Accountants have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. Luharuka & Associates, Chartered Accountants have confirmed that they are eligible for the proposed re-appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. As confirmed to Audit Committee and stated in their report on financial statements, the Auditors have reported their independence from the Company according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to audit.

Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint M/s. Luharuka & Associates, Chartered Accountants, having registration No. 01882S, as the Statutory Auditors of the Company for the second and final term of five consecutive years, who shall hold office from the conclusion of this 37th AGM till the conclusion of the 42nd AGM of the Company.

The Board of Directors has approved a remuneration of ₹ 3,60,000/- for conducting the audit for the financial year 2021-22, excluding applicable taxes and reimbursement of out-of-pocket expenses on actuals. The remuneration proposed to be paid to the Statutory Auditors during their second and final term would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

M/s. Luharuka & Associates, Chartered Accountants Firm was founded in the year 1983, based at Hyderabad and is also networking member of Singhi & Associates, Kolkata, India. M/s Luharuka & Associates is a multi-disciplinary Audit Firm catering to various clients in diverse sectors. The firm holds the 'Peer Review' certificate as issued by 'ICAI'.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

### Item No. 4:

Shri Naresh Chand Bhardwaj is serving as Whole-time Director on the Board of the Company since 23.06.2020. The Board of Directors at its meeting held on 05<sup>th</sup> August, 2022, on the recommendations of Nomination and Remuneration Committee, re-appointed him as Whole-time Director of the Company for a further period of 3 years w.e.f. 23rd June, 2023 with a remuneration of ₹ 1,41,000 per month, subject to approval of shareholders. A brief profile of Naresh Chand Bhardwaj is set out here into the notice.

The following additional detailed information pursuant to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013:

I. General Information:		
1	Nature of Industry	The Company is engaged in the business of manufacturing copper products.
2	Date of expected date of commencement of commercial production	The Company incorporated in the year 1985 since then the Company is in its commercial operations.
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable
4	Financial performance based on given indicators	The following are the financial parameters of the Company as on 31 <sup>st</sup> March, 2022: Total Income - ₹ 109338.48 lakhs EBIDTA - ₹ 1724.07 lakhs Profit Before Tax- ₹ 670.31 lakhs Profit After Tax- ₹ 436.99 lakhs
5	Foreign Investments or collaborations, if any.	Nil

<b>II. Information about the appointees:</b>		
1	Background details and Experience	Shri N.C. Bhardwaj, Diploma holder in Electrical Engineering is having 3 decades of rich experience in LT, HT, Control, Instrumentation, Signal, Quad, PIJF, Optical Fiber Cables and Copper Multi Products. He has been in the position of Vice President of Company's production unit since 13.07.2013 and later was appointed as a whole-time director. Considering his dedication and vast experience, the Board proposes to re-appoint him as Whole-time Director of the Company in order to sustain and improve the efficiency of the Company's production unit.
2	Age	58 years
3	Date of first appointment	23/06/2020
4	Board Meetings attended during the year	Shri N.C. Bhardwaj attended five board meetings during the year 2021-22.
5	Past Remuneration (p.a.)	₹ 1,41,000 per month
6	Recognition or awards	-
7	Job Profile and his suitability	Shri N.C. Bhardwaj has been in the position of Vice President of Company's production unit since 13.07.2013 and considering his dedication and vast experience, the Board proposes to re-appoint him as Whole-time Director of the Company in order to sustain and improve the efficiency of the Company's production unit.
8	Remuneration proposed (p.a.)	₹ 1,41,000 per month with annual increment upto 20%.
9	Comparative remuneration profile with respect to industry, size of company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with industry standards and similarly positioned businesses.
10	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Shri N.C. Bhardwaj does not have any pecuniary relationship with the Company except remuneration drawn as Whole-time Director.
<b>III. Other Information</b>		
1	Reasons of loss or inadequate profits	Company is primarily engaged in manufacture of copper and its allied products. Due to economic slowdown and consequent adverse market conditions prevailing, there was lower profitability. Further, in view of imported raw material due to fluctuations in foreign exchange currency also affects the margins of the Company. The macroeconomic factors and the stability in the rupee parity also augurs very well for the company.
2	Steps taken or proposed to be taken for improvement	The Company is focusing on strengthening its core competency in copper business, by expanding its manufacturing capacity to double its capacity from the existing 15000 MT p.a. Further, new value added products introduced by the company is getting good traction from OEM customers across various sectors such as Automobile, Electrical Switch Gears, Heaters etc. and thereby contributing to the profitability in the years to come.
3	Expected increase in productivity and profits in measurable terms:	Considering the prevalent volatile conditions in the foreign exchange currency, the turnover and profitability are not precisely predictable. However, based on the current business plans and demand for copper globally on increasing usage of the metal in electric vehicles, solar and wind power sectors, the Company believes that it would be able to sustain the volatile market conditions and emerge successfully in terms of good turnover and profits in the days to come.

The Board of Directors recommends the Special Resolution for your approval.

None of the Directors except Shri N.C. Bhardwaj himself, is concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.



**Item No. 5:**

The Board of Directors, on recommendation of the Audit committee, at their meeting held on 28.05.2022 has approved the appointment and remuneration of the M/s. Lavanya & Associates, Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31.03.2023 on a remuneration of ₹ 25,000/- (Twenty Five Thousand).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 05 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.03.2023.

The Board of Directors recommends the Ordinary Resolution for your approval.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

By Order of the Board  
For **BHAGYANAGAR INDIA LIMITED**

**DEVENDRA SURANA**  
**MANAGING DIRECTOR**  
**DIN: 00077296**

Place: Secunderabad  
Date: 05.08.2022

Particulars of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are as under:-

1) Shri Devendra Surana, Managing Director:

Name of Director	Devendra Surana
DIN	00077296
Date of Birth	08.02.1965
Qualification	B.E. (MECH), PDGM (IIM, Bangalore)
Expertise in specific functional areas	Shri Devendra Surana is a graduate in Mechanical Engineer and holds a Post Graduate Diploma in Management from IIM, Bangalore where he was chosen as the Brain of the Batch. Shri Devendra Surana is a Managing Director of Bhagyanagar India Limited, Director of Surana Solar Limited, Surana Telecom and Power Limited and Bhagyanagar Properties Limited which are listed Companies under the Surana Group. He has been in the field of Ferrous & Non Ferrous, Telecom Industry for more than 3 Decades and in the field of Renewable Energy Industry for more than 2 decades. He is the Past President of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) and Past Chairman for Telangana State Council, Federation of Indian Chambers of Commerce & Industry (FICCI). He is also Founder President of Young Entrepreneur Organization for Hyderabad Chapter and Past President of Rotary Club of Hyderabad Deccan. He is also a Member of the Governing Body, University College of Engineering and Osmania University. He has been the guest speaker at many Management & Educational Institutions. Hyderabad Management Association (HMA) has awarded Shri Devendra Surana as Entrepreneur of the Year 2019.
Inter-se relationship with other Directors and Key Managerial Personnel	Shri Devendra Surana is a brother of Shri Narender Surana, Managing Director of the Company.
Nature of appointment (appointment/reappointment)	Re-appointment
Name of the listed and other entities in which Shri Devendra Surana holds the directorship as on 31 <sup>st</sup> March, 2022.	<ol style="list-style-type: none"> <li>1. Surana Solar Limited</li> <li>2. Surana Telecom and Power Limited</li> <li>3. Bhagyanagar Properties Limited</li> <li>4. Bhagyanagar Copper Private Limited</li> <li>5. Scientia Infocom India Private Limited</li> <li>6. Surana Solar Systems Private Limited</li> <li>7. AP Golden Apparels Private Limited</li> <li>8. Everytime Food Industries Private Limited</li> <li>9. Value Infrastructure and Properties Private Limited</li> <li>10. Tejas India Solar Energy Private Limited</li> <li>11. Solar Dynamics Private Limited</li> <li>12. Bhagyanagar Green Energy Private Limited</li> <li>13. Metropolitan Ventures India Limited</li> <li>14. Surana Infocom Private Limited</li> <li>15. Globecom Infra Ventures Private Limited</li> <li>16. Bhagyanagar Securities Private Limited</li> <li>17. Shah Sons Private Limited</li> <li>18. Shabashpally Chemicals Private Limited</li> </ol>
Chairman/ Member of the Committees of the Board of other Companies in which he is a Director as on 31 <sup>st</sup> March, 2022.	<ol style="list-style-type: none"> <li>1. SURANA SOLAR LIMITED (MEMBER - STAKEHOLDERS RELATIONSHIP COMMITTEE)</li> <li>2. SURANA TELECOM AND POWER LTD (MEMBER - STAKEHOLDERS RELATIONSHIP COMMITTEE)</li> <li>3. BHAGYANAGAR PROPERTIES LIMITED (MEMBER - STAKEHOLDERS RELATIONSHIP COMMITTEE)</li> </ol>
No. of equity shares held in the Company	31,34,660

**2) Shri Naresh Chand Bhardwaj, Whole-time Director:**

Name of Director	Naresh Chand Bhardwaj
DIN	08761949
Date of Birth	20.10.1963
Qualification	Diploma in Electrical Engineering
Expertise in specific functional areas	<p>Shri N.C. Bhardwaj is having more than 3 decades of rich experience in LT, HT, Control, Instrumentation, Signal, Quad, PIJF, Optical Fiber Cables and Copper Multi Products. He has successfully set-up plants of H.T.Com, ARM Ltd, &amp; Paramount Cables, etc. He also worked on time and motion study for achieving monthly target and scrap at all levels, reduced raw material consumption and improved process, quality and output of finished goods.</p> <p>He has been in the position of Vice President of Company's production unit since 13.07.2013 and a whole-time director since 23.06.2020.</p>
Inter-se relationship with other Directors and Key Managerial Personnel	Nil
Nature of appointment (appointment/reappointment)	Re-appointment
Name of the listed and other entities in which Shri Devendra Surana holds the directorship as on 31 <sup>st</sup> March, 2022.	Nil
Chairman/ Member of the Committees of the Board of other Companies in which he is a Director as on 31 <sup>st</sup> March, 2022.	Nil
No. of equity shares held in the Company	Nil

## DIRECTORS' REPORT

To the Members of  
Bhagyanagar India Limited

The Directors have pleasure in presenting the 37<sup>th</sup> Annual Report of your Company and the Audited financial statements for the financial year ended 31<sup>st</sup> March, 2022 together with Auditors' Report thereon.

### FINANCIAL RESULTS:

The performance of the Company during the year has been as under:

(Amount in lakhs)

Particulars	Standalone Results		Consolidated Results	
	2021-22	2020-21	2021-22	2020-21
Sales and other Income	109338.48	50819.32	157440.97	78766.20
EBIDTA	1724.07	1192.18	3096.72	1907.11
<b>LESS :</b>				
Depreciation	367.97	367.28	572.46	553.58
Interest	685.79	570.13	1182.74	831.78
Profit before Taxation	670.31	254.77	1341.52	521.73
Provision for Taxation : Current Tax	221.63	42.53	333.67	84.17
Deferred Tax	-67.52	13.40	-67.52	13.40
MAT Credit	63.32	101.62	-48.72	76.38
Excess MAT Credit Reversed	15.90	-	15.90	-
Profit after Tax	436.99	97.23	1108.19	347.77
Surplus brought forward from previous year	8912.00	8814.78	8639.57	8291.79
Balance available for appropriation	9348.99	8912.00	9747.76	8639.56
Transfer to General Reserves	-	-	-	-
Balance c/f to Balance Sheet	9348.99	8912.00	9747.76	8639.56

### PERFORMANCE AND OPERATIONS:

During the year 2021-22, the Company's consolidated turnover is increased by 99.88% as that of previous year. EBIDTA is ₹ 3096.72 lakhs as compared to that of last year ₹ 1907.10 lakhs. PBT increased by 157.13% as compared to that of last year. PAT also increased by 218.65% as compared to that of previous year.

### SUBSIDIARIES/ ASSOCIATES:

Your Company has only one wholly owned (100%) subsidiary company viz., Bhagyanagar Copper Private Limited, engaged in the same line of business i.e., manufacture of copper products. There has been no material change in the nature of its business.

In terms of proviso to sub section (3) of Section 129 of the Act, 2013 read with Companies (Accounts) Rules, 2014, the salient features of the financial statement of the subsidiaries and Associates is set out in the prescribed Form AOC-1, which forms part of the annual report.

### CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind-AS) as per the Companies (Indian Accounting Standards) Rules,

2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013.

The Consolidated Financial Statements for the financial year ended 31<sup>st</sup> March, 2022 forms part of the Annual Report. As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate audited accounts of its Subsidiary on its website [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com) and a copy of separate audited financial statements of its subsidiary will be provided to shareholders upon their request.

### SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

### SHARE CAPITAL:

The paid-up Share Capital of the Company as on 31<sup>st</sup> March, 2022 is ₹ 6,39,90,000 divided into 3,19,95,000 equity shares of ₹ 2/- each.

### TRANSFER TO RESERVES:

The Board of Directors of the Company has not recommended for transfer of any amount to the General Reserve for the Financial Year ended 31<sup>st</sup> March, 2022.

**DIVIDEND:**

The Board of Directors has not recommended dividend for the financial year 2021-22 to retain the maximum possible cash in the system. The Company is constrained to skip the dividend in view of the proposed expansion plans.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report as required under schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the Company's business, internal controls and their adequacy, risk management systems and other material developments during the financial year.

Management Discussion and Analysis Report is presented in a separate section forms part of the Annual Report as Annexure-II.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

- (a) That the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31<sup>st</sup> March, 2022 and of the profit and loss of the company for that period;
- (c) 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;
- (d) That the directors have prepared the annual accounts for the financial year 31<sup>st</sup> March, 2022 on a going concern basis;
- (e) That the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:**

The independent directors have submitted the declaration of independence, as required pursuant to sub-section (7) of section 149 of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirement)

Regulations, 2015 stating that they meet the criteria of independence as provided in sub-section(6) of Section 149 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**NOMINATION AND REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy which lays down a framework in relation to selection, appointment and remuneration to Directors, Key Managerial Personnel, Senior Management and other employees of the Company. The details of Nomination and Remuneration Committee and Policy are stated in the Corporate Governance Report.

**PARTICULARS OF LOANS, GUARANTEES, SECURITIES OR INVESTMENTS:**

The details of Loans, Guarantees, Securities and Investments made during the financial year ended 31<sup>st</sup> March, 2022 are given in the notes to the Financial Statements in compliance with the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

**RELATED PARTY TRANSACTIONS:**

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 no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval, wherever 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 on a quarterly basis. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com).

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 is prepared in Form AOC-2 pursuant to clause (h) of the Companies (Accounts) Rules, 2014 and the same is annexed herewith as "Annexure-III" to this Report.

**AUDIT COMMITTEE:**

The Audit Committee, as on 31.03.2022, consists of Independent Directors Shri Kamlesh Gandhi as Chairman, Shri R. Surender Reddy, Smt. Sanjana Jain and the Managing Director, Shri Devendra Surana as Members. The Committee inter alia reviews the Internal Control System, Reports of Internal Auditors and compliance of various Regulations. The Committee also reviews the financial statements before they are placed before the Board.

The recommendations made by the Audit Committee to the Board, from time to time during the year under review, have

been accepted by the Board. Other details with respect to the Audit Committee such as its terms of reference, the meetings of the Audit Committee and attendance thereof of the members of the Committee, are separately provided in this Annual Report, as a part of the Report on Corporate Governance.

#### **ANNUAL RETURN:**

The Annual Return of the Company as on 31<sup>st</sup> March, 2022 is available on the website of Company at <http://www.bhagyanagarindia.com/investor-relations.php>.

#### **PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in the Annexure-I forming part of this Report.

#### **RISK MANAGEMENT POLICY:**

In terms of the requirements under Section 134(3)(n) of the Companies Act, 2013 and Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has developed and implemented the Risk Management Policy. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report. At present, the Company has not identified any element of risk which may threaten the existence of the company.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

During the year 2021-22, the Company is not covered under the criteria of Section 135(5) of Companies Act, 2013. The Company, however over the years, is pursuing as part of its Corporate Social Responsibility for welfare and aspirations of the Community. The CSR activities of the Surana Group are guided by the vision and philosophy of its founding father, Shri G.M. Surana, who embodied the value of trusteeship in business and laid the Foundation for its ethical and value-based functioning. The core elements of CSR activities include ethical functioning, respect for all stake-holders, protection of human rights, and care for the environment. The G.M. Surana Foundation is established purely for the purpose of providing medical relief to the people who are in below poverty line. It is being run by qualified and registered doctors.

#### **BOARD EVALUATION:**

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the evaluation of performance of all Directors is undertaken annually. The company has implemented a system of evaluating performance of the Board of Directors and of

its Committees and individual Directors on the basis of a structured questionnaire which comprise evaluation criteria taking into consideration various performance related aspects. The Board of Directors have expressed their satisfaction with the evaluation process.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Shri Devendra Surana, Managing Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

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

As on 31<sup>st</sup> March, 2022, Shri Devendra Surana and Shri Narender Surana, Managing Directors, Shri N.C. Bhardwaj, Whole-time Director, Shri Surendra Bhutoria, Chief Financial Officer and Shri Srinivas Dudam, Company Secretary are the Key Managerial Personnel (KMPs) of the Company as per the provisions of Companies Act, 2013.

#### **MEETINGS OF THE BOARD:**

During the financial year under review, 5 (Five) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period of 120 days as prescribed under the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations, 2015.

#### **DEPOSITS:**

The Company has not accepted any deposits in terms of Section 73 or 76 of the 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.

#### **LISTING OF EQUITY SHARES:**

The Company's equity shares are listed on the following Stock Exchanges:

- (i) **BSE Limited**, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India; and
- (ii) **National Stock Exchange of India Ltd**, Exchange Plaza, Floor 5, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India.

The Company has paid the annual listing fees to the said stock exchanges for the financial year 2022-23.

#### **STATUTORY AUDITORS:**

The Statutory Auditors' Report for the Financial year 2021-22 does not contain any qualifications, reservations, adverse remarks or disclaimer and no frauds were reported by the Auditors under sub-section (12) of Section 143 of the Act.

As per Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the term of M/s. Luharuka & Associates (Firm Registration No. 01882S) as the Statutory Auditors of the Company would complete with the conclusion of 37<sup>th</sup> Annual General Meeting of the Company. The Board of Directors of the Company at their meeting held on 28<sup>th</sup> May, 2022, on the recommendation of the Audit Committee,

has made its recommendation for re-appointment of M/s. Luharuka & Associates (Firm Registration No. 01882S) as the Statutory Auditors of the Company, to hold office from the conclusion of 37<sup>th</sup> Annual General Meeting till the conclusion of 42<sup>nd</sup> Annual General Meeting of the Company, subject to the approval of the Members at the ensuing Annual General Meeting.

M/s. Luharuka & Associates has expressed its willingness to be re-appointed as the Statutory Auditors of the Company and also confirmed its eligibility in compliance with the provisions of Sections 139, 141 and other applicable provisions of the Act. The Board of Directors recommends to the Members the re-appointment of M/s. Luharuka & Associates as the Statutory Auditors of the Company. Accordingly, the proposal for their re-appointment is included in this Notice of 37<sup>th</sup> Annual General Meeting.

#### **INTERNAL AUDITORS:**

The Board of Directors based on the recommendation of the Audit Committee has appointed M/s. Sekhar & Co., Chartered Accountants as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis to the Audit Committee and Board of Directors.

The Board of Directors of the Company has re-appointed M/s. Sekhar & Co., Chartered Accountants as Internal Auditors to conduct Internal Audit for the financial year ended 31<sup>st</sup> March, 2023.

#### **COST AUDITORS:**

The Company has maintained cost records as specified by Central Government under Section 148(1) of Companies Act, 2013 and such records have been audited by the Cost Auditor pursuant to Companies (Cost Records and Audit) Rules, 2014.

M/s Lavanya & Associates, Cost Accountants, Hyderabad, has been appointed by the Board, on recommendations of Audit Committee, as Cost Auditor for conducting audit of the cost accounts maintained by the Company relating to Base Metals and Electricity for the financial year 2022-23.

The Cost Auditors' Report of financial year 2021-22 did not contain any qualifications, reservations, adverse remarks or disclaimers and no frauds were reported by the Cost Auditors to the Company under sub-section (12) of Section 143 of the Act.

#### **SECRETARIAL AUDITORS:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, your Company had appointed Mrs. Rakhi Agarwal, Company Secretary in Practice, Hyderabad, as its Secretarial Auditor to conduct the Secretarial Audit of your Company for financial year 2021-22.

The Report of the Secretarial Auditor for the financial year 2021-22 is annexed to this report as Annexure-IV.

There were no qualifications, reservation or adverse remark or disclaimer made by the Secretarial Auditor in its report.

#### **SECRETARIAL AUDIT OF MATERIAL UNLISTED INDIAN SUBSIDIARY:**

The Secretarial Audit of Bhagyanagar Copper Private Limited (BCPL), a material subsidiary of the Company was carried out pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year 2021-22. The Secretarial Audit Report of BCPL submitted by Mrs. Rakhi Agarwal, Company Secretary in Practice, does not contain any qualification, reservation or adverse remark or disclaimer.

The Report of the Secretarial Auditor of BCPL for the financial year 2021-22 is annexed to this report as Annexure-V.

#### **ANNUAL SECRETARIAL COMPLIANCE REPORT:**

The Company has undertaken an audit for the financial year 2021-22 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report duly signed by Mrs. Rakhi Agarwal, Company Secretary in Practice has been submitted to the Stock Exchanges and is annexed at Annexure-VI to this Board's Report.

#### **REPORTING OF FRAUDS BY AUDITORS:**

During the year under review, the Statutory Auditors, Internal Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

#### **CORPORATE GOVERNANCE:**

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance as per the requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

A separate report on corporate governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliances forms an integral part of this Report.

#### **VIGIL MECHANISM:**

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimisation of employees who avail of the mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

#### **PARTICULARS OF EMPLOYEES:**

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

- (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
Shri Narender Surana, MD	Nil
Shri Devendra Surana, MD	35.72
Shri N.C. Bhardwaj, WTD	5.60

- (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;

Name of Person	% increase in remuneration
Shri Devendra Surana, MD	0.00
Shri N.C. Bhardwaj, WTD	11.90
Shri Surendra Bhutoria, CFO	6.30
Shri Srinivas Dudam, CS *	NA

\* (Appointed as Company Secretary w.e.f. 07.08.2021)

- (iii) The percentage increase in the median remuneration of employees in the financial year: 7.61%
- (iv) The number of permanent employees on the rolls of company: 154
- (v) Average percentile increase already made in the salaries of employees other than the 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 2021-22 was 7.05%. Percentage increase in the managerial remuneration for the year was 2.17%.

- (vi) Affirmation that the remuneration is as per the remuneration policy of the company - Yes.

- B. In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said Annexure is open for inspection at the registered office of your Company. Any member interested in obtaining copy of the same may write to Company Secretary.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Auditors team carries out extensive audit and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

#### CHANGE IN NATURE OF BUSINESS:

There is no change in nature of business of the Company.

#### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT:

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

#### DETAILS OF ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year, no corporate insolvency resolution process was initiated under the Insolvency and Bankruptcy Code, 2016, either by or against the Company, before National Company Law Tribunal.

#### ONE TIME SETTLEMENT WITH ANY BANK OR FINANCIAL INSTITUTION:

No disclosure or reporting is required in respect of the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions, as the Company had not made any one time settlement with any bank or financial institutions during the year.

#### MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year 31<sup>st</sup> March, 2022 to which the financial statements relates and the date of signing of this report.

#### HUMAN RESOURCES:

The industrial relations of the Company continued to be harmonious during the year under review.



**ISO 9001-2008 CERTIFICATION:**

Your Company continues to hold ISO 9001-2008 Certification by meeting all the requirements of Certification from time to time.

**POLICY ON SEXUAL HARRASSEMENT:**

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Internal Complaints Committee (ICC) has been setup to redress complaints received regarding sexual harassment. During the period under review, no complaints were received by the ICC.

**CAUTIONARY STATEMENT:**

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand

and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

**ACKNOWLEDGEMENTS:**

The Directors take this opportunity to place on record their sincere thanks to the suppliers, customers, strategic partners, Banks and Financial Institutions, Insurance Companies, Central and State Government Departments and the shareholders for their support and co-operation extended to the Company from time to time. Directors are pleased to record their appreciation of the sincere and dedicated services of the employees and workmen at all levels.

**For and on behalf of the Board of Directors**

**NARENDER SURANA**  
**MANAGING DIRECTOR**  
**DIN: 00075086**

**DEVENDRA SURANA**  
**MANAGING DIRECTOR**  
**DIN: 00077296**

Place: Secunderabad  
Date: 05.08.2022

**ANNEXURE - I****PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

*(Information Under Section 134(3)(m) of the Companies Act, 2013,  
read with Rule 8(3) of the Companies (Accounts) Rules, 2014)*

**FORM - A****1. CONSERVATION OF ENERGY:**

The Company has a well-structured energy management system in place and regular efforts are made to optimize process parameters and conserve energy. Additionally, while undertaking modernization and technological upgradation of production facilities, due consideration is also given in selection of plant and equipment which conforms to the best in class energy conservation parameters.

- |  |   |   |
|--|---|---|
| (i) Energy Conservation measures (VFD) to reduce the Power Consumption | : | More introduction of Variable Frequency Drive |
| (ii) Total energy consumption  | : | N.A.  |

**2. TECHNOLOGY ABSORPTION** : Efforts made in technology absorption as per Form-B**FORM - B**

(Disclosure of particulars with respect to Technology Absorption)

**A. Research and Development (R & D) :**

- |  |   |   |
|--|---|---|
| 1. Specific areas in which R & D is carried out by the Company   | : | NIL   |
| 2. Benefits derived as a result of the above R & D               | : | NIL   |
| 3. Future plan of action<br>Copper foils and commutator segments | : | The Company plans to develop thinner  |
| 4. Expenditure on R & D  | : | As no significant amount has been spent, the same has not being shown separately. |

**B. Technology absorption, adaptation and innovation:**

The Company absorbs and adapts the technologies on a continuous basis to develop specific products for the domestic and global market. The design and process parameters are optimized to customize products in line with specific customer and application needs.

**3. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Activities relating to exports and initiatives taken to increase export products and services and export plans: NIL

During the year the total Foreign Exchange used and earned are as follows:

Used	:	₹ Nil
Earned	:	₹ 4307.86 Lakhs

**For and on behalf of the Board of Directors**

Place: Secunderabad  
Date: 05.08.2022

**NARENDER SURANA**  
**MANAGING DIRECTOR**  
**DIN: 00075086**

**DEVENDRA SURANA**  
**MANAGING DIRECTOR**  
**DIN: 00077296**

## MANAGEMENT DISCUSSION AND ANALYSIS

**Bhagyanagar India Ltd (BIL)** was incorporated in the year 1985, a flagship Company of Surana Group. BIL is among the oldest and largest companies producing various copper products in India. The Company has forayed into the non-conventional energy sector with a wind power project with an installed capacity of 9 MW at Kapatigudda, Karnataka State. BIL believes its industry knowledge, proactive research and specialized technology helps provide customers with improved products. The Company has steadily grown over the years with a continued focus on customer satisfaction, evolving itself into country's one of the most promising mid cap Companies.

### A) INDUSTRY STRUCTURE AND DEVELOPMENTS:

**Copper:** The Company manufactures copper products such as field coils, paper covered strips, sheets, pipes, tubes, solar fins, bus bars, commutators among others. The Company continues to focus on value added products such as Copper Field Coils (for Auto Electrical), Copper Fins (for Solar Water Heaters) and Busbars for Electrical Engineering with regular supplies to various Original Equipment Manufacturers (OEMs) such as Lucas, TVS Limited, MICO, Commutator, Emvee Solar, Amar Raja Batteries, HBL Nife and many other leading OEMs. The Company keep on adding further value added products every year in line with the requirement of our OEM customers.

The Company has already taken up expansion plans through 100% subsidiary viz., Bhagyanagar Copper Private Limited with a capacity increase to 24,000 MT from the existing 15000 MT. 1<sup>st</sup> Phase of expansion plan of copper division completed and commercial production has started from 01.03.2019.

**Wind Power:** The Company has wind power project with an installed capacity of 9 MW at Kapatigudda, Karnataka State.

### B) OPPORTUNITIES AND THREATS:

The fundamental growth drivers of the country's economy as well as Copper industry continue to remain strong despite the pressures of slowdown and inflationary conditions prevalent till recently in the nation and also globally. The Indian demand is expected to be strong on the back of improved outlook for industrial and infrastructure growth. The demand for copper is directly dependent on economic growth and the quality of the growth. The government's thrust on power sector, smart city, housing for all, ambitious plan of harnessing renewable energy resources, electric vehicles, Infrastructure development, Atma Nirbhar Abhiyan and Make in India spells good news for copper industries.

India's copper consumption is likely to triple to nearly 3 mln tn by 2030 driven by growth in electric vehicles and other environment-friendly technologies, said International Copper Association India. In 2020-21 (Apr-Mar), India consumed 1.0 mln tn of copper, down

from 1.2 mln tn a year ago, mainly due to economic impact of the COVID pandemic.

Since 2018, India has become a net importer of the metal due to the closure of Sterlite Copper's plant at Thoothukudi, Tamil Nadu, which catered to around 40% of the domestic demand. To boost recycling of copper in India, the Government announced reduction of import duty on copper scrap from 5% to 2.5% in the Union Budget 2021. This will promote recycling in the country as the basic raw materials will become economical. Copper industry continue to remain strong despite the pressures of slowdown and inflationary conditions prevalent in the nation and also globally. The threats to the segments in which the company operates are volatility in Exchange rate & Metal Prices.

### C) SEGMENT-WISE OR PRODUCT WISE PERFORMANCE:

During the year under review, the Company has recorded consolidated revenue of ₹ 157440.97 Lakhs and made a net profit of ₹ 1108.19 Lakhs against revenue of ₹ 78766.20 Lakhs and net profit of ₹ 347.77 Lakhs in the previous financial year 2020-21.

The following is the segment wise performance and results during the financial year 2021-22:

(₹ in Lakhs)

Segment Product / Unit	Turnover	PBIT
Copper	156792	2851
Wind Power	446	58
Others	125	129

The Overall economic slowdown has impacted our Company also. We remain cautious on the growth trajectory for the financial year 2022-23.

### D) OUTLOOK:

Copper industry continues to show strong growth despite the pressures of slowdown and inflationary conditions in the nation and also globally. The Company's strategy for financial year 2022-23 is to have continued focus on addition of new value added products to gain traction from OEM customers across various sectors such as Automobile, Electrical Switch Gears, Heaters etc. Your company is concerned about the wide fluctuations in copper prices globally and locally and increase in foreign exchange value.

As reported, the expansion of the Business has been done through a 100% subsidiary company viz., Bhagyanagar Copper Private Limited (BCPL) with a capacity increase to 24,000 MT from the existing 15000 MT. BCPL has 65.28 Acres of land at Shabhashpally Village, Shivampet Mandal, Medak District, Telangana where copper plant has been set up and commenced its commercial operations effective from 01<sup>st</sup> March, 2019. During the financial year 2021-22 the Company achieved the consolidated turnover of ₹ 1574 Crores.

**E) RISKS AND CONCERNS:**

The Company, like any other enterprise, is exposed to business risk which can be internal risks as well as external risks. The threats to the segments in which the company operates are volatility in Exchange rate & Metal Prices. The company is concerned about the wide fluctuations in copper prices globally and locally and increase in foreign exchange value.

The major risks identified by the company are systematically addressed through extenuating actions on a continuous basis. The Company has developed and implemented the Risk Management framework. Audit Committee oversight of financials risks and controls. The Board of Directors is also apprised of the risks faced by the Company, and of the adequate and timely risk management measures taken to mitigate them.

**F) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has adequate Internal Control Systems and Procedures with regard to purchase of Stores, Raw Materials including Components, Plant and Machinery, equipment, sale of goods and other assets. The company has clearly defined roles and responsibilities for all managerial positions and all operating parameters are monitored and controlled. The Company designs and maintains accounting and internal control systems to provide reasonable assurance at reasonable cost that assets are safeguarded against loss from unauthorized use or disposition, and that the financial records are reliable for preparing financial statements and maintaining accountability for assets.

The Company has an Internal Audit System commensurate with its size and nature of business. M/s Sekhar & Co., a firm of Chartered Accountants, are acting as Internal Auditors of the Company. Planned periodic reviews are carried out by Internal Audit. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors. Compliance with laws and regulations is also ensured and confirmed by the Internal Auditors of the Company. Standard operating procedures and guidelines are issued from time to time to support best practices for internal control.

**G) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:****i) FINANCIAL PERFORMANCE:****Capital Structure:**

The Equity Share Capital of the Company is ₹ 639.90 lakhs comprising of 3,19,95,000 equity shares of ₹ 2/- each fully paid.

**Reserves and Surplus:**

The Reserves and Surplus of the Company as on 31.03.2022 stand at ₹ 12225.96 lakhs as compared to ₹ 11788.97 lakhs in the previous year.

**Fixed Assets:**

During the year, the Company has added fixed assets amounting to ₹ 12.84 lakhs making the gross fixed assets as on 31.03.2022 to ₹ 10996.22 lakhs.

**Inventories:**

Inventories, as on 31<sup>st</sup> March, 2022, amounting to ₹ 8322.55 lakhs as against ₹ 7070.31 lakhs in the previous year.

**Sundry Debtors:**

Sundry debtors increased to ₹ 7347.78 lakhs as on 31<sup>st</sup> March, 2022 as against ₹ 5711.54 lakhs in the previous year. These debtors are considered good and realizable.

**Cash and Bank Balances:**

Cash and Bank balances stood at ₹ 133.49 lakhs against ₹ 259.52 lakhs in the previous years which include amounts deposited with banks as security.

**Loans and Advances:**

Long Term Loans and Advances increased to ₹ 1139.59 lakhs as against ₹ 3010.66 lakhs in the previous year.

**Current Liabilities:**

Current Liabilities for the financial year ended 31.03.2022 is ₹ 10459.97 lakhs as against ₹ 10799.48 lakhs in the previous Year.

**ii) OPERATIONAL RESULTS:****Turnover:**

During the year 2021-22, the turnover of the Company was ₹ 109072.57 lakhs as compared to ₹ 50561.66 lakhs in the previous year.

The Income from other sources as on 31<sup>st</sup> March, 2022 was ₹ 265.91 lakhs as compared to ₹ 257.66 lakhs in the previous year.

**Depreciation:**

The Company has provided a sum of ₹ 367.97 lakhs towards depreciation for the year as against ₹ 367.28 lakhs in the previous year.

**Provision for Tax:**

The Company has provided a current tax of ₹ 221.63 lakhs as against ₹ 42.53 lakhs in the previous year.

**Net Profit:**

The Net Profit of the Company after tax is ₹ 436.99 lakhs as against ₹ 97.23 lakhs in the previous year.

**Earnings Per Share:**

The Earnings Per Share of the Company as on 31<sup>st</sup> March, 2022 is ₹ 1.37/- per share for Face

Value of ₹ 2/- as against ₹ 0.30/- per share for face value of ₹ 2/- in the previous year.

**H) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

The Company believes that the Company's growth and future success depend largely on the skills of the Company's workforce, including executives and officers, as well as the designers and engineers and the attraction of critical skills. The loss of the services of one or more of these employees could impair the Company's ability to continue to implement its business strategy. The Company's success also depends, on its continued ability to attract and retain experienced and qualified employees. The Company is committed to building the competencies of its employees and improving their performance through training and development. The Company's focus is on identifying gaps in its employees' competencies and preparing employees for changes in competitive environments, as well as to meet organizational challenges.

Some of the focus areas in training in the last year centered on leadership, innovation management and internationalization besides other training programmes to drive a change in the Company's employees' outlook as it continue to develop as a global competitor.

**I) DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:**

**Key Financial Ratios:**

Ratios	2022	2021	Change (%)	Note no.
Debtors Turnover (no. of days)	21	35	(40.81)	1
Inventory Turnover (no.of days)	28	51	(45.50)	2
Debt Service Coverage Ratio	2.00	1.83	9.42	
Current Ratio	1.77	1.35	30.87	3
Debt Equity Ratio	0.17	0.04	329.42	4
Net Profit Margin (%)	0.40	0.19	108.06	5
Return on Net Worth (%)	11.50	9.19	25.16	6

**Note:**

1. Prudent Credit Policy and year end realization has brought down the receivable cycle which otherwise is between 30 to 40 days.
2. Transit Period inventory has come down due to lower imports resulting into reduction of overall inventory holding period.
3. Change in the ratio is due to increase in Current Assets (inventory and receivables) of the company.
4. Change in the ratio is due to increase in borrowing due to scaling up of operation.
5. Change in the ratio is due to increase in net profit because of revenue growth.
6. Change in the ratio is due to increase in EIBDTA because of revenue growth.

**J) CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws and other statutes and incidental factors.

**For and on behalf of the Board of Directors**

**NARENDER SURANA**  
**MANAGING DIRECTOR**  
**DIN: 00075086**

**DEVENDRA SURANA**  
**MANAGING DIRECTOR**  
**DIN: 00077296**

Place: Secunderabad  
 Date: 05.08.2022

**ANNEXURE-III****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)

1. **Details of contracts or arrangements or transactions not at arm's length basis:** No transactions.
2. **Details of material contracts or arrangement or transactions at arm's length basis:**

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or Transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	<b>Bhagyanagar Copper Private Limited</b> (Wholly Owned Subsidiary)	Purchase of copper	01.04.2021 to 31.03.2022	₹ 3670.06 lakhs	30.05.2021	-
2.		Job work paid	01.04.2021 to 31.03.2022	₹ 1283.63 lakhs	30.05.2021	-
3.		Job work received	01.04.2021 to 31.03.2022	₹ 135.62 lakhs	30.05.2021	-
4.		Sale of copper	01.04.2021 to 31.03.2022	₹ 1045.40 lakhs	30.05.2021	-
5.	<b>Surana Solar Systems Private Limited</b> (Common Directors)	Purchase of solar power	01.04.2021 to 31.03.2022	₹ 131.15 lakhs	30.05.2021	-

For and on behalf of the Board of Directors

Place: Secunderabad  
Date: 05.08.2022

**NARENDER SURANA**  
MANAGING DIRECTOR  
DIN: 00075086

**DEVENDRA SURANA**  
MANAGING DIRECTOR  
DIN: 00077296

**FORM NO MR 3**  
**SECRETARIAL AUDIT REPORT**

*Pursuant to Section 204 (1) of the Companies Act, 2013 and the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014*  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

To  
The members of  
**Bhagyanagar India Limited**

I have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s. Bhagyanagar India Limited (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

1. Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in our opinion, the Company has during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
2. 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 31<sup>st</sup> March, 2022 ("Audit Period") according to the provisions of:
  - i) The Companies Act, 2013 (the Act) and the rules made there-under;
  - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
  - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
  - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the Extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable during the audit period.
    - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable during the audit period.
    - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable during the audit period
    - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the audit period
    - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the audit period
    - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable during the audit period
  - vi) The Company's main business is into manufacture of copper, ferrous and non-ferrous metals and non-conventional energy (wind). Accordingly, the following industry specific major laws are applicable to the Company:
    - (a) The Electricity Act, 2003

- (b) Hazardous Wastes (Management and Handling) Rules, 1989
- (c) Environment Protection Act, 1986

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

- (a) The Listing Agreement entered into by the Company with the Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (b) Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Board and General Meetings of the Company.

During the period under review, the Company has complied with the provisions of the applicable Acts, Rules, Regulations and Guidelines etc. mentioned above.

3. I, further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors took place during the year under review.
- (b) Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance. There is adequate system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. Majority decision is carried through and there were no instances of dissenting members in the Board of Directors.
- (c) It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.

4. I, further report that during the audit period, there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, standards, etc.

Place: Hyderabad  
Date: 29.04.2022

**Rakhi Agarwal**  
**Company Secretary in Practice**  
**FCS No.7047**  
**CP No.6270**  
**UDIN: F007047D000234439**



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members of  
**Bhagyanagar Copper Private Limited**  
CIN: U27100TG2008PTC125034  
Sy No 98 to 105, 107, 111, 230, 231, 232, 234,  
Shabashpally Village, Shivampet Mandal,  
Medak District – 502334, Telangana.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bhagyanagar Copper Private Limited (Material Subsidiary of a Listed Company i.e., Bhagyanagar India Limited)** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit. We hereby report that in our opinion, the Company has, during the audit period, covering the financial year ended on 31.03.2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Bhagyanagar Copper Private Limited** ("the Company") for the financial year ended on 31.03.2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) Other applicable Acts
  - (a) Factories Act, 1948
  - (b) Industrial Disputes Act, 1947
  - (c) The Payment of Wages Act, 1936
  - (d) The Minimum Wages Act, 1948
  - (e) Employee State Insurance Act, 1948
  - (f) Employees Provident Funds and Miscellaneous Provisions Act, 1952
  - (g) The Payment of Bonus Act, 1965
  - (h) The Payment of Gratuity Act, 1972
  - (i) The Contract Labour (Regulation & Abolition) Act, 1970
  - (j) The Maternity Benefit Act, 1961
  - (k) The Child Labour (Prohibition & Regulation) Act, 1986
  - (l) The Industrial Employment (Standing Order) Act, 1946
  - (m) The Employee Compensation Act, 1923
- (iv) The Company's main business is into manufacture of copper, ferrous and non-ferrous metals. Accordingly, the following industry specific major laws are applicable to the Company:
  - (a) Hazardous Wastes (Management and Handling) Rules, 1989
  - (b) Environment Protection Act, 1986 and rules made there under
  - (c) The Air (Prevention and control of pollution) Act 1981
  - (d) The water (Prevention and control of pollution) Act 1974

We have relied on the representations made by the Company, its officers and reports of Internal Auditors for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as mentioned above.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive 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 clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The decisions at the Board Meetings are carried out unanimously and there were no members dissenting the resolution(s) during the year under review.

We further report that there are adequate systems and processes in the Company Commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

**Rakhi Agarwal**  
**Company Secretary in Practice**  
**FCS No.7047**  
**CP No.6270**  
**UDIN: F007047D000234450**

Place: Secunderabad

Date: 29.04.2022

This Report is to be read with our letter of even date which is given as Annexure-A and forms an integral part of this report.

#### **'ANNEXURE-A'**

To  
 The Members of  
 Bhagyanagar Copper Private Limited  
 CIN: U27100TG2008PTC125034  
 Sy No 98 to 105, 107, 111, 230, 231, 232, 234,  
 Shabashpally Village, Shivampet Mandal,  
 Medak District – 502334, Telangana.

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

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

**Rakhi Agarwal**  
**Company Secretary in Practice**  
**FCS No.7047**  
**CP No.6270**  
**UDIN: F007047D000234450**

Place: Secunderabad

Date: 29.04.2022

**Secretarial Compliance Report of Bhagyanagar India Limited  
for the year ended 31<sup>st</sup> March, 2022**

*(Pursuant to SEBI - CIR/CFD/CMD1/27/2019, dated 08<sup>th</sup> February, 2019)*

I, Rakhi Agarwal, Practicing Company Secretary, (FCS No. 7047, Certificate of Practice No. 6270) have examined:

- (a) all the documents and records made available to me and explanation provided by M/s. Bhagyanagar India Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31<sup>st</sup> March, 2022 ("Review Period") in respect of compliance with the provisions of:
  - (a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company as there was no reportable event during the audit period)**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable to the Company as there was no reportable event during the audit period)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [Formerly known as (Share Based Employee Benefits) Regulations, 2014]; **(Not applicable to the Company as there was no reportable event during the audit period)**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company as there was no reportable event during the audit period)**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013; **(Not applicable to the Company as there was no reportable event during the audit period)**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review period:

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

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
None			

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary, if any
None				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

- (e) The reporting of clause 6(A) and 6(B) of the Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries" is not applicable during the Review Period.

Date: 26.04.2022  
Place: Hyderabad

**Rakhi Agarwal**  
Practicing Company Secretary  
FCS No.: 7047  
CP No.: 6270  
UDIN: F007047D000205564

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Transparency and accountability are the two basic tenets of Corporate Governance. At Bhagyanagar India Limited, we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business, as demonstrated in the words above. Responsible corporate conduct is integral to the way we do our business. At Bhagyanagar India Limited, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation. Our Code of Business Principles is an extension of our values and reflects our continued commitment to ethical business practices across our operations. To succeed, we believe, requires highest standards of corporate behavior towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long term value for our shareholders, our people and our business partners.

The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come. The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

### 2. BOARD OF DIRECTORS:

#### a) Composition and Category of Directors:

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

In terms of compliance with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI Listing Regulations", the Company endeavour to have an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees. As at March 31, 2022, the Board of Directors ("Board") comprises of Six Directors, of which three are Non-Executive Directors and three are Executive Directors. The Company has three Independent Non-Executive Directors. Independent Directors including Women Director; Independent Directors comprise half of the total strength of the Board. The composition and category of the Board of Directors is as follows:

Sl. No	Name of Director	Designation	Category
1	Shri. Narender Surana	Managing Director	Executive Director (Promoter)
2	Shri. Devendra Surana	Managing Director	Executive Director (Promoter)
3	Shri. R Surender Reddy	Director	Independent Non-Executive Director
4	Shri. Kamlesh Gandhi	Director	Independent Non-Executive Director
5	Smt. Sanjana Jain	Director	Independent Non-Executive Director
6	Shri N.C.Bhardwaj	Whole-time Director	Executive Director (Non-Promoter)

#### b) Attendance of each director at the Board meetings and at the last Annual General Meeting:

The particulars of attendance of Board Meetings and Annual General Meeting of Directors for the financial year ended 31.03.2022 has been set out here below:

Sl. No	Name of Director	No. of Board Meetings		Attendance at last AGM on 29.09.2021
		Held	Attended	
1	Shri Narender Surana	5	5	Present
2	Shri Devendra Surana	5	5	Present
3	Shri R Surender Reddy	5	5	Present
4	Shri Kamlesh Gandhi	5	5	Present
5	Smt. Sanjana Jain	5	5	Present
6	Shri N.C.Bhardwaj	5	5	Present

## c) Number of Other Directorships, Committee Membership(s) &amp; Chairmanship(s):

Sl. No.	Name of the Director	Directorship in other listed entities (category of directorship)	Other Director ships*	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity
1	Narender Surana	Surana Solar Limited (Non-Independent, Non-Executive)	17	6	0
		Surana Telecom and Power Ltd (Non-Independent, Executive)			
		Bhagyanagar Properties Limited (Non-Independent, Non-Executive)			
2	Devendra Surana	Surana Solar Limited (Non-Independent, Non-Executive)	18	5	0
		Surana Telecom and Power Ltd (Non-Independent, Non-Executive)			
		Bhagyanagar Properties Limited (Non-Independent, Executive)			
3	Kamlesh Gandhi	Kirloskar Electric Company Ltd (Independent, Non-Executive)	4	4	3
		NCL Industries Ltd (Independent, Non-Executive)			
		Sundaram-Clayton Limited (Independent, Non-Executive)			
4	R.Surender Reddy	Surana Solar Limited (Independent, Non-Executive)	4	6	4
		Surya Lakshmi Cotton Mills Ltd (Independent, Non-Executive)			
		Suryalata Spinning Mills Limited (Independent, Non-Executive)			
		Lakshmi Finance and Industrial Corporation Ltd (Independent, Non-Executive)			
5	Sanjana Jain	Surana Solar Limited (Independent, Non-Executive)	3	6	2
		Surana Telecom and Power Ltd (Independent, Non-Executive)			
		Bhagyanagar Properties Limited (Independent, Non-Executive)			
6	N.C.Bhardwaj	-	0	-	-

\* include Private Limited Companies.

None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors. Chairmanships / Memberships of Committees include only Audit and Stakeholders' Relationship Committee as covered under Regulation 26 of the SEBI Listing Regulations, 2015, as per the disclosures made by the Directors.

## d) Number of Board Meetings held and the dates on which held:

In terms of compliance with the requirement of Regulation 17(2) of SEBI (LODR) Regulations, 2015, Five Board Meetings were held during the financial year ended 31.03.2022, as against the minimum requirement of four meetings. The maximum time gap between any of two consecutive meetings did not exceed One Hundred and Twenty days.

The dates on which the Board meetings were held are:

30.05.2021	07.08.2021	29.09.2021	13.11.2021	12.02.2022
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**e) Disclosure of relationship between directors inter-se:**

The Managing Directors Shri Narender Surana and Shri Devendra Surana are brothers. Other than Shri Narender Surana and Shri Devendra Surana, none of the Directors are related to any other Director.

**f) Shares held by Non-Executive Directors:**

The number of equity shares of the Company held by the non-executive directors, as on 31.03.2022 are as follows:

Sl.No	Name of the Director	No of Equity Shares
1	Shri. R Surender Reddy	7,500
2	Shri. Kamlesh Gandhi	100
3	Smt.Sanjana Jain	0

**g) Familiarisation programmes imparted to independent directors:**

The Members of the Board of the Company have been provided opportunities to familiarize themselves with the Company, its Management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates. All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement. During the year 2021-22, Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. Independent Directors have been taken through various aspects of Business and operations. The framework on familiarisation programme has been posted in the website of the Company. The details of familiarization program is available on the website: <http://www.bhagyanagarindia.com/pdf/corporate-governance/policies/Familiarisation-Programme-for-ID.pdf>

**h) Chart / matrix setting out the skills/expertise/competence of the Board of Directors:**

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Leadership / Operational experience
- Strategic Planning
- Industry Experience, Research & Development and Innovation
- Financial, Regulatory / Legal & Risk Management
- Corporate Governance

SI No	Name of the Director	Skill/Expertise/Competency of the Director
1	Shri. Devendra Surana	Leadership / Operational experience
		Strategic Planning
		Industry Experience, Research & Development and Innovation
		Financial, Regulatory / Legal & Risk Management
		Corporate Governance
2	Shri. Narender Surana	Leadership / Operational experience
		Industry Experience
		Financial, Regulatory / Legal & Risk Management
3	Shri Kamlesh Gandhi	Financial, Regulatory / Legal & Risk Management
		Corporate Governance
4	Shri R Surender Reddy	Leadership / Operational experience
		Financial, Regulatory / Legal & Risk Management
		Corporate Governance
5	Smt. Sanjana Jain	Financial, Regulatory / Legal & Risk Management
		Corporate Governance
6	Shri N.C.Bhardwaj	Leadership / Operational experience
		Industry Experience, Research & Development and Innovation

**i) Confirmation from the Board:**

The Board of Directors be and hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

- j) No Independent Director has resigned from the Directorship of the Company before the expiry of their term of appointment during the financial year ended 31<sup>st</sup> March, 2022.

**BOARD COMMITTEES:**

Details of the Board Committees and other related information are provided hereunder:

**3. AUDIT COMMITTEE:****(a) Brief description of terms of reference:**

The role and terms of reference of the Audit Committee are set out in Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors of the Company. The terms of reference of the Audit Committee broadly are:

1. Review of financial reporting systems;
2. Ensuring compliance with regulatory guidelines;
3. Reviewing the quarterly, half yearly and annual financial results;
4. Approval of annual internal audit plan;
5. Review and approval of related party transactions;
6. Discussing the annual financial statements and auditor's report before submission to the Board with particular reference to the (i) Director's Responsibility Statement; (ii) major accounting entries; (iii) significant adjustments in financial statements arising out of audit findings; (iv) compliance with listing requirements etc.;
7. Interaction with statutory, internal and cost auditors;
8. Recommendation for appointment and remuneration of auditors; and
9. Reviewing and monitoring the auditor's independence and performance etc.

Further the Audit Committee also mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations;
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.

In addition to the above, the Audit Committee also reviews the financial statements, minutes and details of investments made by the subsidiary companies.

**(b) Composition, Name of members and Chairman:**

As on March 31, 2022, the Audit Committee of the Board comprises of three (3) Independent Directors and one (1) Executive Director. The Chairperson of the Audit Committee is Independent Director. The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations:



Sl. No	Name of Director	Designation
1	Shri Kamlesh Gandhi	Chairman (Independent Director)
2	Shri R Surender Reddy	Member (Independent Director)
3	Smt Sanjana Jain	Member (Independent Director)
4	Shri Devendra Surana	Member (Executive Director)

- The minutes of the meetings of the Audit Committee are placed before the Board and discussed in the meeting.

**(c) Meetings and attendance during the year:**

- During the financial year from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022, four Audit Committee meetings were held on:

30.05.2021	07.08.2021	13.11.2021	12.02.2022
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- All the recommendations made by the Audit Committee were accepted by the Board unanimously.

**Attendance at the Audit Committee Meeting:**

SI No	Name of the Director	Number of Meetings	
		Held	Attended
1	Shri Kamlesh Gandhi	4	4
2	Shri R Surender Reddy	4	4
3	Shri Devendra Surana	4	4
4	Smt.Sanjana Jain	4	4

The Managing Director, CFO, Statutory Auditors and Internal Auditors of the Company have also attended the above meetings on invitation. The recommendations made by the Audit Committee from time to time have been followed by the Company. Shri Kamlesh Gandhi, Chairman of the Audit Committee has attended the 36<sup>th</sup> Annual General Meeting to answer the queries raised by the Shareholders regarding Audit and Accounts.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

**a. Brief description of terms of reference:**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Carry on the evaluation of every director's performance;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity; and
- Any other matter as the Board may decide from time to time.

**b. Composition, Name of members and Chairman:**

As on March 31, 2022, the Nomination and Remuneration Committee of the Board comprises of three (3) Independent Directors. The Chairperson of the Nomination and Remuneration Committee is Independent Director. The composition of the Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations:

Sl. No	Name of Director	Designation
1.	Shri. R Surender Reddy	Chairman (Independent Director)
2.	Shri. Kamlesh Gandhi	Member (Independent Director)
3.	Smt. Sanjana Jain	Member (Independent Director)

- The Company Secretary acts as the Secretary of the Committee.
- The minutes of the meetings of the Nomination and Remuneration Committee are circulated to all the members of the Board.

**c. Meetings and attendance during the year:**

During the financial year from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022, Nomination and Remuneration Committee Meetings were held on 07.08.2021 and 12.02.2022.

S. No	Name of the Director	Number of Meetings	
		Held	Attended
1.	Shri. R Surender Reddy	2	2
2	Shri Kamlesh Gandhi	2	2
3.	Smt. Sanjana Jain	2	2

As per Section 178(7) of the Companies Act, 2013 and Secretarial Standards, the Chairman of the Committee Shri R.Surender Reddy, was present at the 36<sup>th</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September, 2021 to answer the queries raised by the Shareholders

**d. Performance evaluation of Directors:**

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the evaluation of performance of all Directors is undertaken annually. The company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprise evaluation criteria taking into consideration various performance related aspects. The Board of Directors has expressed their satisfaction with the valuation process.

**e. Nomination and Remuneration policy:**

In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel, Functional Heads and other employees of the Company. The Policy provides for criteria and qualifications for appointment of Director, Key Managerial Personnel (KMPs) and remuneration to them, Board diversity etc. The said policy is available on the Company's website <http://www.bhagyanagarindia.com/pdf/corporate-governance/policies/Nominations-and-Remuneration-Policy.pdf>

f. The Non-executive directors are paid sitting fees for attending meetings of Board/ Committee.

**5. INDEPENDENT DIRECTORS' MEETING:**

A separate meeting of the Independent Directors was held on 12<sup>th</sup> February, 2022 under the Chairmanship of Shri R.Surender Reddy, Independent Director, interalia, to discuss evaluation of the performance of Non-independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-executive Directors and the evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

**6. REMUNERATION OF DIRECTORS****(a) Details of Remuneration paid to Non-Executive Directors:**

- There were no pecuniary transactions with any Non-executive Director of the Company.
- The criteria for making payment to Nonexecutive Directors is available on the website of the Company i.e., [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com).
- Non-executive Directors are paid sitting fees:

Following are the details of Sitting Fees paid to the Non-executive Directors during the Financial Year ended 31<sup>st</sup> March, 2022:

S. No.	Name of Director	Sitting Fees paid (Rs)
1	Shri R Surender Reddy	96,000
2	Shri Kamlesh Gandhi	96,000
3	Smt. Sanjana Jain	96,000
<b>Total</b>		<b>2,88,000</b>

**(b) Details of Remuneration paid to Executive Directors:**

The remuneration paid to the Managing Director / Whole-time Director during the year is as follows:

(Amount in ₹)

Name of Director	Designation	Salary	HRA	Total
Shri. Narender Surana	Managing Director	Nil	Nil	Nil
Shri. Devendra Surana	Managing Director	72,00,000	36,00,000	1,08,00,000
Shri. N.C.Bhardwaj	Whole-time Director	13,32,000	2,25,000	15,57,000
<b>TOTAL</b>		<b>85,32,000</b>	<b>38,25,000</b>	<b>1,23,57,000</b>

There were no severance fees and stock option plan. The appointment of the Managing Director / whole-time Director is on the basis of the terms and conditions laid down in the respective resolutions passed by the members in the General Meetings.

**7. STAKEHOLDERS RELATIONSHIP COMMITTEE:**
**(a) Brief description of terms of reference:**

The Stakeholders Relationship Committee oversees and reviews all matters connected with the share transfers and also looks into redressing of shareholders complaints like transfer of shares, non-receipt of annual report/dividends etc. The committee oversees the performance of the Registrar of Transfer Agents and recommends measures for overall improvement in the quality of investor services. Email-id for Investor Grievances: [investorservices\\_bil@surana.com](mailto:investorservices_bil@surana.com) or [cs@surana.com](mailto:cs@surana.com).

**(b) Composition:**

The Composition as on 31.03.2022 is as follows:

Sl.No.	Name of Director	Designation
1.	Smt. Sanjana Jain	Chairperson (Independent Director)
2.	Shri. Narender Surana	Member (Executive Director)
3.	Shri. Devendra Surana	Member (Executive Director)

**(c) Name and Designation of Compliance Officer:**

Shri Srinivas Dudam, Company Secretary is acting as Compliance Officer of the Company.

**(d) Number of Shareholders complaints received during the financial year:**

During the financial year 2021-22, the Company has received 1 (one) complaint from the shareholders.

**(e) Number of complaints not resolved to the satisfaction of shareholders is Nil.**
**(f) There were no pending complaints as at the year end.**
**8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Companies (Amendment) Act, 2020 vide Notification dated 28<sup>th</sup> September, 2020 (effective from 22<sup>nd</sup> January, 2021) has given relaxation to the Companies with respect to constitution of CSR Committee, if the amount to be spent by a company towards CSR does not exceed ₹ 50 lakhs in a financial year. The functions of such Committee shall be discharged by the Board of Directors.

In view of the above amendment, the requirement of CSR Committee is not applicable to the Company and therefore, CSR Committee is dissolved w.e.f. 07.08.2021 and the functions of CSR Committee shall be discharged by the Board of Directors, if applicable.

**9. GENERAL BODY MEETINGS:**
**i) Venue and Time, where last three Annual General Meetings held:**

Year	Date	Time	Venue
2020-21 (36 <sup>th</sup> AGM)	29 <sup>th</sup> September, 2021	10.00 A.M.	AGM held through Video conference
2019-20 (35 <sup>th</sup> AGM)	29 <sup>th</sup> September, 2020	10.00 A.M.	AGM held through Video conference
2018-19 (34 <sup>th</sup> AGM)	21 <sup>st</sup> September, 2019	10.00 A.M.	Hotel Parklane, 115, Parklane, Secunderabad-500 003, Telangana

**ii) Whether any Special Resolutions passed in the previous 3 Annual General Meetings:**

**2020-21:** In the 36<sup>th</sup> AGM held on 29<sup>th</sup> September, 2021 the Company has passed Special Resolutions as follows:

- (i) Re-appointment of Shri Devendra Surana as Managing Director of the Company.
- (ii) Revision of Remuneration of Shri N.C.Bhardwaj, Whole-time Director of the Company.

**2019-20:** In the 35<sup>th</sup> AGM held on 29<sup>th</sup> September, 2020 the Company has passed Special Resolutions as follows:

- (i) To consider the appointment of Shri Naresh Chand Bhardwaj as Whole-time Director of the Company.

**2018-19:** In the 34<sup>th</sup> AGM held on 21<sup>st</sup> September, 2019 the Company has passed Special Resolutions as follows:

- (i) Re-appointment of Shri O. Swaminatha Reddy as an Independent Director of the Company.
- (ii) Re-appointment of Shri R. Surender Reddy as an Independent Director of the Company.
- (iii) Re-appointment of Shri Kamlesh Gandhi as an Independent Director of the Company.
- (iv) Re-appointment of Smt. Madhumathi Suresh as an Independent Director of the Company.
- (v) To raise funds through issue of Shares/Convertible Securities/ADR/GDR/FCCB's/ECB's etc.

**iii) Special resolution passed last year through postal ballot:**

No Special Resolution was passed through Postal Ballot during the financial year 2021-22.

**iv) Whether any Special resolution is proposed to be conducted through postal ballot: No****10. MEANS OF COMMUNICATION:****(a) Quarterly Financial Results:**

The quarterly financial results of the Company are published in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in widely circulated newspapers namely Business Standard/Financial Express (English daily) and Nava Telangana (Telugu daily).

**(b) Newspapers wherein results normally published**

The financial results of the Company are published in widely circulated newspapers namely Business Standard/ Financial Express (English daily) and Nava Telangana (Telugu daily).

**(c) Any website, where displayed**

The financial results of the Company are published on the Company's website: [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com).

**(d) Whether it also displays official news releases**

Official news releases along with quarterly results are displayed on the Company's website: [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com).

**(e) Presentations made to institutional investors or to the analysts.**

There are no presentations made to the investors/ analysts.

**(f) Website:**

The website [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com) contains a separate dedicated section for the Company's "Investor Relations" where shareholders' information is available. The full Annual Report, shareholding pattern etc. is also available in the 'Investor Relations' sections on the website of the Company.

**11. GENERAL SHAREHOLDER INFORMATION:**

<b>Annual General Meeting</b>	Wednesday, 28 <sup>th</sup> September, 2022 at 10.00 a.m. through Video Conferencing / Other Audio Visual Means as set out in the Notice convening the Annual General Meeting
<b>Financial Year</b>	1 <sup>st</sup> April to 31 <sup>st</sup> March.
<b>Date of Book Closure</b>	23.09.2022 to 28.09.2022 (both days inclusive)
<b>Dividend Payment Date</b>	N.A.
<b>The Company's equity shares are listed at</b>	<b>BSE Ltd</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 <b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051
<b>Scrip/Stock Code</b>	512296 on BSE BHAGYANGR on NSE
<b>ISIN Number for NSDL &amp; CDSL</b>	INE458B01036

The Listing fees for the year 2022-23 has been paid to the above stock exchanges.

**(a) MARKET PRICE DATA:**

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr' 2021	54.70	41.40	52.95	41.55
May'2021	60.00	47.50	60.40	46.65
Jun' 2021	57.60	47.05	60.00	47.20
Jul' 2021	53.70	45.95	52.80	46.00
Aug' 2021	65.00	38.45	65.00	37.85
Sep' 2021	57.45	47.25	57.25	47.00
Oct' 2021	53.80	43.35	54.00	45.15
Nov' 2021	52.85	43.25	53.00	43.95
Dec' 2021	52.50	40.55	52.95	41.40
Jan' 2022	55.00	45.50	54.00	45.45
Feb' 2022	60.00	40.00	59.85	38.30
Mar' 2022	54.70	41.05	51.40	42.50

**(b) Performance in comparison to broad based indices of BSE Sensex:**

The performance of the Company's scrip on the BSE as compared to the Sensex is as under:

	April, 2021	March, 2022	% Change
Company Share Price(closing)	44.45	44.60	0.34%
SENSEX (closing)	50,029.83	58,568.51	17.07%

**(c) There was no suspension of trading in Securities of the Company during the year under review.**
**(d) Registrar to an issue & Share Transfer Agents:**

Registrar to an issue & Share Transfer Agents (for shares held in both Physical and Demat mode) are as follows:

**KFin Technologies Limited**

KFintech, Tower – B, Plot No 31 & 32,  
 Selenium Building, Financial District, Nanakramguda,  
 Gachibowli, Hyderabad – 500 032  
 Tel No.040-67162222 / 040-79611000  
 E-mail: [einward\\_ris@kfintech.com](mailto:einward_ris@kfintech.com)/ [nageswara.raop@kfintech.com](mailto:nageswara.raop@kfintech.com)  
 Website: [www.kfintech.com](http://www.kfintech.com)

**(e) Share Transfer System:**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities 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. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode. The requests for effecting transfer/transmission/ transposition of securities shall not be processed unless the securities are held in the dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

**(f) Shareholding Pattern as on 31<sup>st</sup> March, 2022:**

SI. No	Description	No. of shareholders	Total Shares	% Equity
1	Promoters	15	1,80,80,509	56.51
2	Promoters Bodies Corporate	3	55,67,704	17.40
3	Resident Individuals	11,296	71,51,277	22.35
4	H U F	214	2,97,911	0.93
5	Bodies Corporates	78	1,54,983	0.48
6	Government	1	88,350	0.28
7	Banks	1	270	0.00
8	Indian Financial Institutions	1	2,62,200	0.82
9	Clearing Members	20	25,453	0.08
10	I E P F	1	2,33,826	0.73
11	Non-Resident Indian Non Repatriable	40	36,679	0.11
12	Non-Resident Indians	83	95,838	0.30
	<b>Total:</b>	<b>11,753</b>	<b>3,19,95,000</b>	<b>100.00</b>

**(g) Distribution of shareholding as on 31.03.2022:**

Shares holding of nominal value of	No. of Shareholders	No. of Shares	% of total shares
1-5000	11,577	37,27,707	11.65
5001- 10000	93	7,02,565	2.20
10001- 20000	33	4,32,000	1.35
20001- 30000	15	3,68,506	1.15
30001- 40000	3	1,02,380	0.32
40001- 50000	1	40,500	0.13
50001- 100000	7	4,81,167	1.50
100001 & Above	24	2,61,40,175	81.70
<b>Total</b>	<b>11,753</b>	<b>3,19,95,000</b>	<b>100.00</b>

**(h) Dematerialization of Shares & Liquidity**

The Company's shares are available for dematerialisation with both the Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

3,18,39,095 equity shares were dematerialized representing 99.51% of the total paid up equity share capital of the Company as on 31.03.2022.

**(i) Dematerialization mandatory for effecting share transfers:**

SEBI has vide proviso to Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandated that requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, the Company shall not process any requests for transfer of shares in physical mode. Shareholders who desire to demat their shares can get in touch with any Depository Participant having registration with SEBI to open a demat account and follow the procedure for share transfers.

**(j) There are no outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any convertible instruments as on the date of 31.03.2022.**

**(k) Commodity price risk or foreign exchange risk and hedging activities:**

Commodity such as copper forms a major part of Business of the Company and hence commodity Price risk is one of the important risk of the Company. The Company has robust framework in place to protect its interest from risks arising out of Market Volatility. Almost 50% to 60% of the inventory is always hedged on the MCX thereby insulating it from any volatility risk.

The Company's foreign exchange risk is limited to its SBLC outstanding which is not very significant. The Company does not take any position on long-term basis. Though on short-term basis, the exposure is covered depending upon overall cost including forward premium vis-à-vis domestic borrowing cost.

**(l) Plant Locations:**

<b>Copper Division</b> <b>Bhagyanagar India Limited</b> Plot No. P-9/13(1) & P-9/14, IDA, Nacharam, Hyderabad – 500 076	<b>Wind Power Division</b> Kapatguda, Gadag District, Karnataka (9 MW)
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**(m) Address for correspondence**

Sl. No.	Shareholders Correspondence for	Address
1.	Transfer/Dematerialization/ Consolidation /Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/ Bonus shares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company.	<b>KFin Technologies Limited</b> KFinTech, Tower – B, Plot No 31 & 32, Selenium Building, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032 Tel No.040-67162222 / 040-79611000 E-mail : <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> / <a href="mailto:nageswara.raop@kfintech.com">nageswara.raop@kfintech.com</a> Web Site : <a href="http://www.kfintech.com">www.kfintech.com</a>
2.	Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.	<b>Company Secretary</b> Bhagyanagar India Limited 5 <sup>th</sup> Floor, Surya Towers, S.P.Road, Secunderabad – 500 003. Ph Nos. 040 - 27845119/ 44665750 E-mail : <a href="mailto:cs@surana.com">cs@surana.com</a> / <a href="mailto:investorservices_bil@surana.com">investorservices_bil@surana.com</a> Website: <a href="http://www.bhagyanagarindia.com">www.bhagyanagarindia.com</a>

**(n) Credit ratings obtained by the Company during financial year 2021-22:**

Facilities/Instruments	Rating
Long Term Bank Facilities	CARE BBB; Stable (Triple B; Outlook: Stable)
Short Term Bank Facilities	CARE A3+ (A Three Plus )

**12. OTHER DISCLOSURES:**
**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;**

During the financial year ended 31<sup>st</sup> March, 2022, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Notes to financial statements.

**(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years; None.**
**(c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors

who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com). During the financial year under review, none of the Complaint has received.

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR) Regulations, 2015 is being reviewed by the Board from time to time.

**(e) Web link where policy for determining 'material' subsidiaries is disclosed;**

The policy for determining 'material' subsidiaries is available on the website of the Company <http://www.bhagyanagarindia.com/investor-relations.php>

**(f) Web link where policy on dealing with related party transactions;**

The policy on dealing with related party transactions is available on the website of the Company: <http://www.bhagyanagarindia.com/investor-relations.php>

**(g) Disclosure of commodity price risks and commodity hedging activities:**

The details are provided at point No. 11(k) of this report.

**(h) The Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year ended 31<sup>st</sup> March, 2022.**

**(i) Certificate from Practicing Company Secretaries:**

The Company has received a certificate from Mrs. Rakhi Agarwal, Practising Company Secretary 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 SEBI/ Ministry of Corporate Affairs or any such statutory authority.

**(j) Instances of not accepting any recommendation of the Committee by the Board:**

There is no such instance where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.

**(k) Fees to the Statutory Auditors of the Company:**

Details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to M/s Lumaruka & Associates, Chartered Accountants, Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, during the financial year are as under:

Particulars	Amount (Rs)
Fees paid for Statutory Audit for the financial year 2021-22	3,60,000
Fee for other services including reimbursement of expenses	1,80,000

**(l) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Sl No	Particulars	No. of complaints
1	Number of complaints on Sexual harassment received during the year	Nil
2	Number of Complaints disposed-off during the year	Not applicable
3	Number of cases pending as on end of the financial year	Not applicable

13. The Company Complied with the requirements of the Schedule V Corporate Governance report sub-paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**14. Details of compliance with mandatory requirements and adoption of Discretionary Requirements**

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of Discretionary Requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.



15. The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulation	Particulars of Regulation	Compliance Status (Yes/ No)
17	Board of Directors	Yes
17A	Maximum number of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stake Holders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirement with respect of Subsidiary of Listed entity	Yes
24A	Secretarial Compliance & Audit Report	Yes
25	Obligation with respect to Independent Director	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirement	Yes
46(2) (b) to (i)	Website	Yes

**16. Code of Conduct**

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all the Board members and all employees of the Company. An affirmation of compliance with the code is received from them on an annual basis.

**17. CEO and CFO Certification**

The Managing Directors and CFO have given a Certificate to the Board as contemplated in Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is separately annexed.

**18. Disclosure with respect to Demat suspense account/ unclaimed suspense account:**

Pursuant to the SEBI Circular and Regulation 39 of the SEBI Listing Regulations, 2015, during the year under review, there are no outstanding shares in the demat suspense account.

**19. Unclaimed Dividend:**

Dividends for the financial year ended 31<sup>st</sup> March, 2015 and thereafter, which remain unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 124 of the Companies Act, 2013, Information in respect of the due date for transfer of such unclaimed dividend to the said fund is given below:

Financial Year	Date of Declaration	Due date for transfer	Unclaimed Dividend * (Amount in ₹)
2014-15	30.09.2015	30.10.2022	2,58,202
<b>TOTAL</b>			<b>2,58,202</b>

\* As on 31<sup>st</sup> March, 2022

The members are advised to send all the un-encashed dividend warrants pertaining to the above years to our RTA for revalidation or issuance of Demand Draft in lieu thereof and encash them before the due dates for transfer to the IEPF. It may also be noted that once the Unclaimed Dividend is transferred to the Investor Education and Protection Fund, no claim shall lie in respect thereof.

20. The Company has adopted the policy on dissemination of information on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company <http://www.bhagyanagarindia.com/investor-relations.php>
21. The Company has adopted the policy on preservation of documents in accordance with the Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: <http://www.bhagyanagarindia.com/investor-relations.php>

**22. Transfer of Shares to Investor Education and Protection Fund:**

As per the provisions of Section 124 of the Companies Act, 2013, shares of the shareholders, who has not claimed dividends for a continuous period of 7 years, shall be transferred to Investor Education and Protection Fund Authority account. Accordingly, the Company has transferred 33,950 equity shares to Investor Education and Protection Fund during the financial year ended 31<sup>st</sup> March, 2022.

**23. Company's Policy on prevention of insider trading:**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the company, your company has in place a Code of Conduct which is approved by the Board.

The Company Secretary is acting as Compliance Officer for the said purpose. The code is applicable to all such employees, officers, Directors and Promoters of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and others concerned the compliance of the same has been affirmed by them.

**DECLARATION OF COMPLIANCE OF CODE OF CONDUCT**

As provided under Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the code of conduct and ethics for the financial year ended March 31, 2022.

For **BHAGYANAGAR INDIA LIMITED**

**DEVENDRA SURANA**  
**MANAGING DIRECTOR**  
**DIN: 00077296**

Place: Secunderabad  
Date: 05.08.2022

**CEO AND CFO CERTIFICATION**

We hereby certify that:

- a. we have reviewed financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March, 2022 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that there are no:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

For **Bhagyanagar India Limited**

Date: 05.08.2022  
Place: Secunderabad

**Narender Surana**  
**Managing Director**  
**DIN:00075086**

**Devendra Surana**  
**Managing Director**  
**DIN:00077296**

**Surendra Bhutoria**  
**Chief Financial Officer**

**CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE**

*[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To

The Members of

**Bhagyanagar India Limited**

Plot No. P-9/13/1 & P-9/14, IDA,

Nacharam, Hyderabad – 500 076

I, Rakhi Agarwal, Practicing Company Secretary, have examined the Company and Registrar of Companies Records, Books and Papers of Bhagyanagar India Limited (CIN-L27201TG1985PLC012449) having its Registered Office at Plot No. P-9/13/1 & P-9/14, IDA, Nacharam, Hyderabad – 500 076 (“the Company”) as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable Rules and Regulations made thereunder for the financial year ended on 31<sup>st</sup> March, 2022.

In our opinion and to the best of our information and according to the examinations carried out by us and explanations and representation furnished to us by the Company and its officers, we certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such Statutory Authority as on 31<sup>st</sup> March, 2022:

Sl. No	Name of Director	Designation	DIN
1	Shri Narender Surana	Managing Director	00075086
2	Shri Devendra Surana	Managing Director	00077296
3	Shri R. Surender Reddy	Independent Director	00083972
4	Shri Kamlesh Gandhi	Independent Director	00004969
5	Smt Sanjana Jain	Independent Director	08532420
6	Shri N.C. Bhardwaj	Whole-time Director	08761949

Place: Secunderabad

Date: 05.08.2022

**Rakhi Agarwal**  
**Company Secretary in Practice**  
**FCS No.7047**  
**CP No.6270**  
**UDIN: F007047D000753201**

**Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Members of  
**Bhagyanagar India Limited,**  
5<sup>th</sup> Floor Surya Towers, Sardar Patel Road,  
Secunderabad- 500003

1. The Corporate Governance Report prepared by Bhagyanagar India Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable Criteria') with respect to Corporate Governance for the year ended 31<sup>st</sup> March, 2022. This report is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

**MANAGEMENT'S RESPONSIBILITY**

2. The preparation of the Corporate Governance Report is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors of the Company are also responsible for ensuring that the company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**AUDITOR'S RESPONSIBILITY**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised) and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes (Revised) requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on quality Control (SQC) 1, Quality Control for firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on attest basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

**OPINION**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31<sup>st</sup> March, 2022, referred to in paragraph 1 above.

**OTHER MATTERS AND RESTRICTION ON USE**

10. This Certificate is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate is addressed to and provided to the members of the Company solely for the Purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this certificate.

**For M/s. Luharuka & Associates  
Chartered Accountants  
Firm Regn No. 01882S**

**Ramesh Chand Jain  
Partner**

Date: 05.08.2022  
Place: Secunderabad

**M.No: 023019  
UDIN: 22023019AOLSJV5179**

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF  
**BHAGYANAGAR INDIA LIMITED**

### Report on the Audit of standalone Financial Statement

#### Opinion

We have audited the accompanying Standalone financial statement of **BHAGYANAGAR INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the statement of profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of change in Equity for the year then ended and notes to the standalone financial statement, including the summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statement give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its *Profit*, total comprehensive income (comprising of profit and other comprehensive income) its cash flow and changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statement in accordance with the standards on Auditing ("SA") specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our Audit of the Standalone Financial Statements under the provision of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statement.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of standalone Financial Statement of the Current period. These matters were addressed in the context of our audit of the Standalone Financial Statement 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 below to be the key audit matters to be communicated in our report.

#### Information Other than the Standalone Financial Statement and Auditor's Report Thereon

The Company's Board of Director's is responsible for the preparation of the other information. The other information comprises the information included in the Management Report, Corporate Governance and shareholder's Information, but does not include the standalone financial statement and our auditor's report thereon.

Our opinion on the standalone financial statement does not cover the other information and we do not express and form of assurance conclusion thereon.

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

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

#### Management Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statement that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flow and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with rule 7 of the companies (Accounts) Rules, 2014 and the companies (Indian accounting standards) Rule, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statement, 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 Director is also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of standalone Financial Statement.**

Our objectives are to obtain reasonable assurance about whether the standalone financial statement 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 with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

- 1) As required by the company ( Auditor's Report) Order, 2022 (the "order") issued by the central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B" statement on the matters specified in paragraphs 3 and 4 of the Order.

- 2) As required by section 143(3) of the Act, based on our audit we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 the statement of Other Comprehensive Income, the Cash Flow Statement and statement of changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
  - e. On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial Controls over financial reporting of the Company 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.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration has been paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company does not have any pending litigations which would impact its financial position.
    - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and protection Fund.
  - (iv) a) The Management of the company have represented to us, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from the borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries;
  - b) The Management of the Company have represented to us, to the best of the knowledge and belief, no funds have been received by the company from any person or entity, including foreign entity ("Funding parties") with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - C) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the company, nothing has come to our notice that has caused us to believe that the representations are under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

For Luharuka & Associates  
Chartered Accountants  
Firm Reg No: - 01882S

Rameshchand Jain  
(Partner)

Membership No.023019

UDIN: 22023019AJUCBK3871

Place: Secunderabad  
Date: 28<sup>th</sup> May, 2022



## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **BHAGYANAGAR INDIA LIMITED** of even date)

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

We have audited the internal financial controls with reference to standalone Financial Statement of **BHAGYANAGAR INDIA LIMITED** ("the Company") as of 31 March, 2022 in conjunction with our audit of the standalone financial statement of the company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls systems with reference to financial statements.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statement for external purpose 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 details, accurately and fairly reflect the transactions and disposition of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

**Opinion**

In our opinion, 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 31 March, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Luharuka & Associates  
Chartered Accountants  
Firm Reg No: - 01882S

Rameshchand Jain  
(Partner)  
Membership No.023019  
UDIN: **22023019AJUCBK3871**

Place: Secunderabad  
Date: 28<sup>th</sup> May, 2022

## **‘ANNEXURE ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of BHAGYANAGAR INDIA LIMITED of even date)

To the best of our information and according to the explanations provided to us by the company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of the company's Property, Plant and Equipment and intangible assets-
- a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i) (a) (B) of the Order is not applicable to the Company.
  - b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals. According to the information and explanation given to us by the management, no material discrepancies have been noticed on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in Property, Plant and Equipment are held in the name of company.
  - d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year ended March 31, 2022.
    - a) As explained to us, there are no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As explained to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such verification.
- (b) As disclosed in notes to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company does not have any working capital limits sanctioned from financial institutions.
- (iii) During the year, the company had granted unsecured loan to a wholly owned subsidiary company as covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
- a) The Balance outstanding at the balance sheet date with respect to such loan to wholly owned subsidiary company is Rupees 11,41.52 lacs.
  - b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year, prima facie, not prejudicial to the Company's interest.
  - c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated in the agreement. Hence, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.
  - d) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
  - e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
    - a) As disclosed in notes to the standalone financial statements, the Company granted unsecured loan to a wholly owned subsidiary company which is either repayable on demand or without specifying any terms or period of repayment. Following is the detail of the aggregate amount of loans or advances in the nature

of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

Aggregate amount of loan a wholly owned subsidiary company - Repayable on demand	₹ 11,41.52 lacs
Percentage of loan granted to the total loans	100%

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) In our opinion and according to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3 (v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the company prescribed by the Central Government of India under section 148(1) of the Act and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues, including Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other statutory dues, as applicable, with the appropriate authorities in India;
  - According to the information and explanations given to us and based on the records of the company examined by us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Wealth Tax and other material statutory dues for a period of more than six months from the date they become payable, except the following disputed statutory liabilities have not been deposited in view of pending Appeals.

Name of Statute	Nature of dues	Amount involved in dispute & not paid	Period to which it relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	25,69,007/-	2010-11	Appeal is pending against CESTAT
		20,00,000/-	2011-12	Appeal is pending against CESTAT
		10,13,592/-	2010-11	Appeal is pending against CESTAT

- (viii) According to the records of the company examined by us and as per the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any financial institution or banks or lender.
- (b) According to the records of the company examined by us and as per the information and explanations given to us, The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the company examined by us and as per the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- (d) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.
- (f) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or

associate companies. Hence, the requirement to report on clause (ix) (f) of the Order is not applicable to the Company.

- (x) (a) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the company, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year under audit and hence reporting under clause 3(x) (b) of the Order is not applicable.
- (xi) (a) According to the information and explanations 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.
- (b) According to the information and explanations given to us, during the year and upto the date of this audit report, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the secretarial auditor or by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, during the year there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties, are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) According to the information and explanations given to us and based on our examination of the records of the company, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- (xvii) In our opinion, there is no cash loss in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit

report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) According to the information and explanations given to us and based on our examination of the records of the company, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII to the companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. Accordingly reporting under clause 3(xx) (a) and (b) of the Order is not applicable.

For Luharuka & Associates  
Chartered Accountants  
Firm Reg No: - 01882S

Rameshchand Jain  
(Partner) Membership No.023019  
UDIN: 22023019AJUCBK3871

Place: Secunderabad  
Date: 28<sup>th</sup> May, 2022

## BALANCE SHEET AS ON 31<sup>ST</sup> MARCH, 2022

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Particulars	Note	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	5	3,812.23	4,168.44
(b) Financial Assets			
- Investments	6	2,002.19	2,002.19
- Loans	7	1,041.53	2,912.60
- Other Non current Financial Assets	8	98.06	98.06
		6,954.01	9,181.29
<b>Current assets</b>			
(a) Inventories (Valued at lower of Cost and Net Realisable value)	9	8,322.55	7,070.31
(b) Financial assets			
- Trade receivables	10	7,347.78	5,711.54
- Cash and cash equivalents	11	4.28	27.48
-Bank Balance other than cash and cash equivalents	12	129.21	232.04
(c) Current Tax Assets (net)	13	271.51	231.32
(d) Other current assets	14	2,421.60	1,319.97
		18,496.93	14,592.66
<b>Total assets</b>		<b>25,450.93</b>	<b>23,773.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	15	639.90	639.90
(b) Other Equity	16	12,225.96	11,788.97
		12,865.86	12,428.87
<b>Total Equity</b>		<b>12,865.86</b>	<b>12,428.87</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
- Borrowings	17	2,125.11	478.07
(b) Deferred tax liabilities (Net)	18	-	67.52
		2,125.11	545.59
<b>Current liabilities</b>			
(a) Financial liabilities			
- Borrowings	19	7,957.29	9,682.71
- Trade Payables	20	2,129.07	808.25
- Other Current financial liabilities	21	31.78	25.62
(b) Other current liabilities	22	271.34	239.59
(c) Provisions	23	70.48	42.72
		10,459.97	10,799.48
<b>Total liabilities</b>		<b>12,585.08</b>	<b>11,345.07</b>
<b>Total equity and liabilities</b>		<b>25,450.93</b>	<b>23,773.94</b>

Significant accounting policies and key accounting estimates and judgements

1 to 4

See accompanying notes form an integral part of Standalone financial statements.

32 to 51

As per our report of even date attached

For Luharuka & Associates

Chartered Accountants,

Rameshchand Jain

Partner

M. No. 023019

Firm Reg No.01882S

Place: Secunderabad,

Date : May 28, 2022

For and on behalf of the BOD of Bhagyanagar India Limited

Narender Surana

Managing Director

DIN: 00075086

Surendra Bhutoria

Chief Financial Officer

Devendra Surana

Managing Director

DIN: 00077296

Srinivas Dudam

Company Secretary

M.No. A23425

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Particulars	Note No.	For the year ended 31.03.2022		For the year ended 31.03.2021	
<b>I INCOME</b>					
Revenue from Sale of Product		1,08,947.19		50,439.37	
Infrastructure Leasing and Sales		125.38		122.29	
		<b>1,09,072.57</b>		<b>50,561.66</b>	
<b>II NET REVENUE FROM OPERATIONS</b>	<b>24</b>		<b>1,09,072.57</b>		<b>50,561.66</b>
<b>III OTHER INCOME</b>	<b>25</b>		<b>265.91</b>		<b>257.66</b>
<b>TOTAL INCOME</b>			<b>1,09,338.48</b>		<b>50,819.32</b>
<b>IV EXPENSES</b>					
Cost of Raw Materials and Components Consumed	<b>26</b>		1,03,482.09		49,310.58
(Increase)/Decrease in Inventories					
Work-in-Progress and Stock in Trade	<b>27</b>		(228.35)		(2,711.93)
Employee Benefit Expenses	<b>28</b>		546.34		445.49
Finance Costs	<b>29</b>		685.79		570.13
Depreciation and Amortisation Expenses	<b>30</b>		367.97		367.28
Other Expenses	<b>31</b>		3,814.33		2,583.00
<b>V TOTAL EXPENSES</b>			<b>1,08,668.17</b>		<b>50,564.55</b>
<b>VI PROFIT BEFORE TAX (I-II)</b>			<b>670.31</b>		<b>254.77</b>
<b>VIII EXCEPTIONAL ITEMS</b>			-		-
<b>IX TAX EXPENSE</b>					
1. Current Tax			221.61		42.53
2. Deferred Tax Liability/(Asset)			(67.52)		13.40
3. MAT Credit Utilised			63.32		101.62
4. Excess MAT Credit Reversed			15.90		-
<b>X PROFIT AFTER TAX (VI-VII)</b>			<b>436.99</b>		<b>97.23</b>
<b>XI OTHER COMPREHENSIVE INCOME</b>					
<b>A</b> Items that will not be reclassified to profit or loss			-		-
<b>B</b> Items that will be reclassified to profit or loss			-		-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>			-		-
<b>XII TOTAL COMPREHENSIVE INCOME FOR THE YEAR (X-XI)</b>			<b>436.99</b>		<b>97.23</b>
<b>XIII EARNINGS PER EQUITY SHARE</b>					
(a) Basic			<b>1.37</b>		<b>0.30</b>
(b) Diluted			<b>1.37</b>		<b>0.30</b>

Significant accounting policies and key accounting estimates and judgements

1 to 4

See accompanying notes form an integral part of Standalone financial statements.

32 to 51

**As per our report of even date attached****For Luharuka & Associates**

Chartered Accountants,

**Rameshchand Jain**

Partner

M. No. 023019

Firm Reg No.01882S

Place: Secunderabad,

Date : May 28, 2022

**For and on behalf of the BOD of Bhagyanagar India Limited****Narender Surana**

Managing Director

DIN: 00075086

**Surendra Bhutoria**

Chief Financial Officer

**Devendra Surana**

Managing Director

DIN: 00077296

**Srinivas Dudam**

Company Secretary

M.No. A23425



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

### A. Equity Share capital

Particulars	No of shares	Amount in lakhs
<b>Balance as at 1 April 2021</b>	<b>3,19,95,000</b>	<b>639.90</b>
Changes in equity share capital during 2021-22	-	-
<b>Balance as at 1 March 2022</b>	<b>3,19,95,000</b>	<b>639.90</b>
<b>Balance as at 1 April 2020</b>	<b>3,19,95,000</b>	<b>639.90</b>
Changes in equity share capital during 2020-21	-	-
<b>Balance as at 31 March 2021</b>	<b>3,19,95,000</b>	<b>639.90</b>

### B. Other equity

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Particulars	Reserve & Surplus				Total
	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	
<b>Balance at 1 April,2021</b>	<b>8,912.00</b>	<b>2,500.00</b>	<b>166.77</b>	<b>210.20</b>	<b>11,788.97</b>
Profit for the year	436.99	-	-	-	<b>436.99</b>
Other Comprehensive Income (net of tax)	-	-	-	-	-
<b>Add: Transferred (to)/from Retained Earnings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 31 March, 2022</b>	<b>9,348.99</b>	<b>2,500.00</b>	<b>166.77</b>	<b>210.20</b>	<b>12,225.96</b>
<b>Balance at 1 April,2020</b>	<b>8,814.78</b>	<b>2,500.00</b>	<b>166.77</b>	<b>210.20</b>	<b>11,691.74</b>
Profit for the year	97.23	-	-	-	<b>97.23</b>
Other Comprehensive Income (net of tax)	-	-	-	-	-
<b>Add: Transferred (to)/from Retained Earnings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 31 March, 2021</b>	<b>8,912.00</b>	<b>2,500</b>	<b>166.77</b>	<b>210.20</b>	<b>11,788.97</b>

Significant accounting policies and key accounting estimates and judgements

1 to 4

See accompanying notes form an integral part of Standalone financial statements.

32 to 51

**As per our report of even date attached  
For Luharuka & Associates**  
Chartered Accountants,

**Rameshchand Jain**  
Partner  
M. No. 023019  
Firm Reg No.01882S

Place: Secunderabad,  
Date : May 28, 2022

**For and on behalf of the BOD of Bhagyanagar India Limited**

**Narender Surana**  
Managing Director  
DIN: 00075086

**Surendra Bhutoria**  
Chief Financial Officer

**Devendra Surana**  
Managing Director  
DIN: 00077296

**Srinivas Dudam**  
Company Secretary  
M.No. A23425

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022** (Amount in ₹)

Particulars	2021-22		2020-21	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit (Loss) before Tax and Exceptional Items</b>		<b>670.31</b>		<b>254.77</b>
Adjustments for Non-Operating Activities:				
Depreciation	364.37		363.68	
Amortisation of lease rent	3.60		3.60	
Sundry balance written off	16.39		27.35	
Sundry balance written back	(5.95)		(5.15)	
Interest paid	685.79		570.13	
(Profit)/loss on sale of fixed assets	(42.91)		(0.03)	
Interest received	(215.83)	<b>805.46</b>	(249.95)	<b>709.62</b>
<b>Operating Profit before Working Capital Changes</b>		<b>1,475.77</b>		<b>964.39</b>
<b>Movement in Working Capital</b>				
Increase/ (Decrease) in other current liabilities	31.76		(63.27)	
Increase/ (Decrease) in provisions	27.75		-	
Increase/ (Decrease) in other financial liabilities	6.17		55.59	
(Increase)/ Decrease in trade payables	1,326.18		(13.89)	
(Increase)/ Decrease in other current assets	(1,101.62)		(1,059.33)	
(Increase)/ Decrease in trade receivables	(1,660.17)		(1,554.71)	
(Increase)/ Decrease in inventory	(1,252.24)	<b>(2,662.19)</b>	(2,738.69)	<b>(5,374.30)</b>
<b>Cash Generation From Operations</b>		<b>(1,146.41)</b>		<b>(4,409.91)</b>
Direct Taxes (Net)		<b>(341.03)</b>		<b>(42.53)</b>
<b>Net Cash from Operating Activities (A)</b>		<b>(1,487.45)</b>		<b>(4,452.43)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Loans given	1,874.07		(1,561.27)	
Interest received	215.83		249.95	
Purchase of fixed assets	(5.31)		(63.80)	
Investment in of Shares & Other Investments (Net)	-		(0.19)	
Sale of fixed assets	44.00		0.25	
Dividend Received	-		-	
<b>Net Cash from / (Used in) Investing Activities (B)</b>		<b>2,125.59</b>		<b>(1,375.06)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022** (Amount in ₹)

Particulars	2021-22		2020-21	
Interest Paid	(685.79)		(570.13)	
(Repayment) of borrowings from bank	(78.38)		6,282.87	
(Increase)/Decrease in restricted deposits	102.83		19.32	
Net Cash (used in) /from Financing Activities (C)		(661.34)		5,732.06
Net Increase/(decrease) in cash & cash equivalents (A+B+C)		<b>(23.20)</b>		<b>(95.43)</b>
Opening cash and cash equivalent at the beginning of the year		<b>27.48</b>		27.48
Closing cash and cash equivalent at the end of the year		4.28		27.48
<b>Net Increase/(decrease) in cash &amp; cash equivalents</b>		<b>(23.20)</b>		<b>(95.43)</b>

Notes :

1. Components of cash and cash equivalents	2021-22	2020-21
Cash in hand	0.27	0.98
Balances with banks	4.01	26.48
	<b>4.28</b>	<b>27.48</b>

2. Accompanied notes to accounts forms an integral part of the Standalone financial statements.

**As per our report of even date attached**  
**For Luharuka & Associates**  
Chartered Accountants,

**Rameshchand Jain**  
Partner  
M. No. 023019  
Firm Reg No.01882S

Place: Secunderabad,  
Date : May 28, 2022

**For and on behalf of the BOD of Bhagyanagar India Limited**

**Narender Surana**  
Managing Director  
DIN: 00075086

**Surendra Bhutoria**  
Chief Financial Officer

**Devendra Surana**  
Managing Director  
DIN: 00077296

**Srinivas Dudam**  
Company Secretary  
M.No. A23425

## SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

### 1. Corporate Information

Bhagyanagar India Ltd (“the company”) is a Company registered under the Companies Act, 1956. It is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). It was incorporated on 2<sup>nd</sup> September, 1985 having its registered office at 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, and Secunderabad-500003. The company's CIN No. is L27201TG1985PLC012449. The company is engaged in the manufacture of copper products.

### 2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2022, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

### 3. Use of estimates and judgments:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

### 4. Significant Accounting Policies:

#### (a) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### Other income:

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

#### (b) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(c) Investment Properties**

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

**(d) Intangible Assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

**(e) Depreciation and amortization:**

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

**(f) Current versus non-current classification**

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

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

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

**(g) Financial assets**

Financial assets comprise of cash and cash equivalents.

***Initial recognition:***

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a 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 assets.

***Subsequent Measurement:***

- (i) Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

***Impairment of Financial Assets:***

Financial assets are tested for impairment based on the expected credit losses.

***De-recognition of Financial Assets:***

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**(h) Impairment of Non-Financial Assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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.

**(i) Cash and Cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

**(j) Financial liabilities**

***Initial recognition and measurement:***

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

***Subsequent measurement:***

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest 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 as finance costs in the statement of profit and loss. This category generally applies to borrowings.

***De-recognition of financial liabilities:***

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

**(k) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

**(l) Employee Benefits**

Employee benefits are charged to the Statement of Profit and Loss for the year.

**Provident Fund**

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognised, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

**Gratuity**

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

**Compensated absences**

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

**Short-term employee benefits**

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

**(m) Income Taxes**

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

**Deferred income tax**

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

**Minimum Alternative Tax (MAT)**

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

**(n) Leases****As a lessee**

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments

are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### **As a lessor**

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

#### **(o) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

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 assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

#### **(p) Fair value measurement**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3— Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### **(q) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### **(r) Cash dividend to equity holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.



**Note : 5 Property, Plant and Equipment**
**(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)**

 Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31<sup>st</sup> March 2022

Particulars	Freehold Land	Lease Hold Land	Building	Plant & Machinery	Electrical Installation	Office Equipment	Vehicles	Furniture and Fixtures	Computers	Library	Grand Total
Gross carrying Value as of April 01, 2021	1,503.13	52.55	472.42	7,576.30	386.20	175.83	582.48	161.80	82.73	0.02	10,993.46
Additions			8.45	1.64	0.85	-	-	-	1.91		12.84
Deletions		3.60	6.48								10
<b>Gross carrying Value as at March 31, 2022</b>	<b>1,503.13</b>	<b>48.95</b>	<b>474.39</b>	<b>7,577.93</b>	<b>387.05</b>	<b>175.83</b>	<b>582.48</b>	<b>161.80</b>	<b>84.64</b>	<b>0.02</b>	<b>10,996.22</b>
Accumulated depreciation as at April 01, 2021	-	-	269.61	5,425.39	330.62	162.77	404.93	153.58	78.10	0.02	6,825.02
Depreciation			9.98	306.70	9.68	3.57	31.35	0.27	2.82	-	364.37
Accumulated depreciation on disposals			5.39				-				5
<b>Accumulated depreciation as at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>274.20</b>	<b>5,732.09</b>	<b>340.30</b>	<b>166.33</b>	<b>436.28</b>	<b>153.85</b>	<b>80.92</b>	<b>0.02</b>	<b>7,184.00</b>
<b>Carrying Value as at March 31, 2022</b>	<b>1,503.13</b>	<b>48.95</b>	<b>200.19</b>	<b>1,845.84</b>	<b>46.75</b>	<b>9.50</b>	<b>146.20</b>	<b>7.95</b>	<b>3.72</b>	<b>-</b>	<b>3,812.23</b>

 Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31<sup>st</sup> March 2021

Particulars	Freehold Land	Lease Hold Land	Building	Plant & Machinery	Electrical Installation	Office Equipment	Vehicles	Furniture and Fixtures	Computers	Library	Grand Total
Gross carrying Value as at April 01, 2020	1,503.13	56.15	472.42	7,538.40	365.62	175.83	583.11	161.80	77.42	0.02	10,933.89
Additions				37.90	20.59	-	-	-	5.31		63.80
Disposals		3.60	-				0.63				4.23
<b>Gross carrying Value as at March 31, 2021</b>	<b>15.03</b>	<b>53</b>	<b>472</b>	<b>7,576</b>	<b>386</b>	<b>176</b>	<b>582</b>	<b>162</b>	<b>83</b>	<b>0</b>	<b>10,993</b>
Accumulated depreciation as at April 01, 2020	-	-	259.64	5,119.37	320.94	159.20	373.99	153.31	75.28	0.02	6,461.75
Depreciation			9.98	306.01	9.68	3.57	31.35	0.27	2.82	-	363.68
Accumulated depreciation on disposals			-				0.41				0.41
<b>Accumulated depreciation as at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>269.61</b>	<b>5,425.39</b>	<b>330.62</b>	<b>162.77</b>	<b>404.93</b>	<b>153.58</b>	<b>78.10</b>	<b>0.02</b>	<b>6,825.02</b>
<b>Carrying Value as at March 31, 2021</b>	<b>1,503.13</b>	<b>52.55</b>	<b>202.80</b>	<b>2,150.91</b>	<b>55.58</b>	<b>13.07</b>	<b>177.55</b>	<b>8.22</b>	<b>4.63</b>	<b>-</b>	<b>4,168.44</b>
<b>Carrying Value as at March 31, 2020</b>	<b>1,503.13</b>	<b>56.15</b>	<b>212.75</b>	<b>2,419.02</b>	<b>44.67</b>	<b>16.33</b>	<b>209.12</b>	<b>8.49</b>	<b>2.15</b>	<b>-</b>	<b>4,472.14</b>

## Notes forming part of the Standalone Financial Statements

**Note: 6** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Investments	Sub note	As at 31.03.2022		As at 31.03.2021	
		No.s	Value	No.s	Value
<b>Equity Instruments (Unquoted - At Cost)</b>					
<b>A) Investment in Subsidiaries</b>					
1. Bhagyanagar Copper Pvt Ltd		2,000	2,000	2,000	2,000
(Equity shares of ₹ 10/-each fully paid up)					
<b>SUB - TOTAL (A)</b>		-	<b>2,000</b>	-	<b>2,000</b>
<b>B) Investment in Equity Instruments (Unquoted)</b>					
1. Mana Effluent Treatment Plant		200	2	200	2
(Equity shares of ₹ 1000/-each fully paid up)					
2. Surana Electrix Limited		1,900	0.19	1,900	0.19
(Equity shares of ₹ 10/-each fully paid up)					
<b>SUB - TOTAL (1+2)</b>			<b>2.19</b>		<b>2.19</b>
<b>GRAND TOTAL (A+B)</b>			<b>2,002.19</b>		<b>2,002.19</b>

**Note: 7** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Loans (Non-Current)	Sub note	As at 31.03.2022	As at 31.03.2021
Considered good – Unsecured			
Loan receivables considered good		1,041.53	2,912.60
Loan receivables which have significant increase in credit risk		-	-
Loan receivables -credit impaired		-	-
Less: Provision for doubtful		-	-
<b>TOTAL</b>		<b>1,041.53</b>	<b>2,912.60</b>

Loans due by Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member has been separately stated as follows

Type of Borrower	Amount of loan or advance in the nature of loan	% of total loan or advance in the nature of loan	Amount of loan or advance in the nature of loan outstanding	% of total loan or advance in the nature of loan
<b>Related Parties</b>	<b>As at 31<sup>st</sup> March 2022</b>		<b>As at 31<sup>st</sup> March 2021</b>	
<b>Loan to Subsidiary Companies</b>				
Bhagyanagar Copper Private Limited	1,041.53	100	2,912.60	100
<b>Total</b>	<b>1,041.53</b>	<b>100</b>	<b>2,912.60</b>	<b>100</b>

There is no specific schedule of repayment of Loan, the company is charging interest @ 10%

**Note: 8** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other non current financial assets	Sub note	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, Considered good.</b>			
(a) Security Deposits		98.06	98.06
<b>TOTAL</b>		<b>98.06</b>	<b>98.06</b>

## Notes forming part of the Standalone Financial Statements

**Note: 9** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Inventories	Sub note	As at 31.03.2022	As at 31.03.2021
<b>(As Valued and Certified by the Management)</b>			
Raw Materials		4,240.37	3,216.48
Work-in-Progress		4,082.17	3,853.83
<b>TOTAL</b>		<b>8,322.55</b>	<b>7,070.31</b>

**Note: 10**

Trade Receivables	Sub note	As at 31.03.2022	As at 31.03.2021
Considered good – Unsecured*			
Undisputed trade receivables considered good		7,347.78	5,711.54
Undisputed trade receivables -credit impaired		-	-
Less: Allowance for expected credit losses		-	-
<b>TOTAL</b>		<b>7,347.78</b>	<b>5,711.54</b>

### Trade receivables ageing schedule

As at 31.03.2022	Outstanding for following periods from due date of payment as on Balance sheet date					Total
Particulars	Less than 6 mnth	6 months to 1 year	1 to 2 years	2-3 Years	More than 3 years	
Undisputed trade receivables considered good	7,202.56	137.56	6.53	1.13	-	7,347.78
Credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit losses	-	-	-	-	-	-
<b>Balance as at year end</b>	<b>7,202.56</b>	<b>137.56</b>	<b>6.53</b>	<b>1.13</b>	<b>-</b>	<b>7,347.78</b>

As at 31.03.2021	Outstanding for following periods from due date of payment as on Balance sheet date					Total
Particulars	Less than 6 mnth	6 months to 1 year	1 to 2 years	2-3 Years	More than 3 years	
Undisputed trade receivables considered good	5,692.29	19.24	-	-	-	5,711.54
Credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit losses	-	-	-	-	-	-
<b>Balance as at year end</b>	<b>5,692.29</b>	<b>19.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,711.54</b>

- There are no disputed trade receivables in the current and previous year.
- All the Trade Receivables are Unsecured and considered good
- Trade receivables are generally with the credit term of 30 to 120 days and are non interest bearing.
- The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.
- The Carrying amount of trade receivables is pledged as security for borrowings. (Refer Note 19)
- No Debts due by Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

**Note: 11** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Cash and cash Equivalents	Sub note	As at 31.03.2022	As at 31.03.2021
(a) Cash & Cash Equivalents			
(i) Balances in current account		4.01	26.50
(ii) Cash On Hand		0.27	0.98
<b>TOTAL</b>		<b>4.28</b>	<b>27.48</b>

## Notes forming part of the Standalone Financial Statements

**Note: 12** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Bank Balance other than Cash and Cash Equivalents	Sub note	As at 31.03.2022	As at 31.03.2021
(i) In Unclaimed Dividend account		2.58	5.14
(ii) Margin Money Deposit Against Buyers Credit (With original Maturity of 3 months or more)		125.09	224.75
(iii) Accrued interest Fixed Deposit		1.54	2.14
<b>TOTAL</b>		<b>129.21</b>	<b>232.04</b>

**12(a) Margin Money Deposits with a carrying amount of ₹ 125.08 lacs (PY ₹ 224.75 lacs) are lien marked to secure the company's borrowing.**

**Note: 13** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Current Tax Assets (Net)	Sub note	As at 31.03.2022	As at 31.03.2021
(a) Income tax Receivable		556.28	215.25
Less: Provision for Taxes		284.78	63.15
(b) MAT Credit Entitlement		-	79.22
<b>TOTAL</b>		<b>271.51</b>	<b>231.32</b>

**Note: 14** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Current Assets	Sub note	As at 31.03.2022	As at 31.03.2021
<b>(Unsecured, Considered Good Unless Otherwise Stated)</b>			
(i) Balances with Statutory Authorities		1,070.04	483.31
(ii) Advances To Suppliers		70.46	390.60
(iii) Loans to staff		20.19	21.84
(iv) Margin Money for Copper Hedging		1,260.90	424.22
<b>TOTAL</b>		<b>2,421.60</b>	<b>1,319.97</b>

No advances are due from directors or other officers of the company or any of them either severally or jointly with any other persons or advances due to firms or private companies respectively in which any director is a partner or a director or member

**15 Share Capital** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	Number	Rupees	Number	Rupees
<b>Authorised</b>				
Equity Shares of ₹ 2/- each	12,50,00,000	2,500.00	12,50,00,000	2,500.00
<b>Issued</b>				
Equity Shares of ₹ 2/- each	3,19,95,000	639.90	3,19,95,000	639.90
<b>Subscribed &amp; Paid up</b>				
Equity Shares of ₹ 2/- each fully paid	3,19,95,000	639.90	3,19,95,000	639.90
<b>Total</b>	<b>3,19,95,000</b>	<b>639.90</b>	<b>3,19,95,000</b>	<b>639.90</b>

a. Terms /Rights attached to Shareholders

The Company has only one class of issued shares i.e. Equity Shares having par value of ₹ 2 per share. Each holder of Equity Shares is entitled to one vote per share and ranks pari passu. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

b. Reconciliation of Equity Shares Outstanding at the Beginning and at the end of the Reporting Period

Particulars	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	3,19,95,000	639.90	3,19,95,000	639.90
Changes during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>3,19,95,000</b>	<b>639.90</b>	<b>3,19,95,000</b>	<b>639.90</b>

## Notes forming part of the Standalone Financial Statements

c. Detail of shareholders holding more than 5% of issued Share Capital.

Name of Shareholder	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
SURANA INFOCOM PRIVATE LIMITED	43,41,581	13.57	43,41,581	13.57
NARENDER SURANA	33,59,814	10.40	33,59,814	10.50
DEVENDRA SURANA	31,34,660	9.80	31,34,660	9.80
MANISH SURANA	32,19,807	10.06	32,19,807	10.06
NAMRATA SURANA	18,70,335	5.85	18,70,335	5.85
<b>Total</b>	<b>1,59,26,197</b>	<b>49.67</b>	<b>1,76,37,187</b>	<b>55.12</b>

Right, Preferences and restriction attached to the Equity shares

The Equity Shares of the Company, having per value of ₹ 2.00 per share, rank pari passu in all respects including voting rights and entitlement of dividend.

Promoter Name	As at March 2022			As at March 2021		
	No of shares Held	% of Holding of total shares	% change during the year	No of shares Held	% of holding of total shares	% changes during the year
G M SURANA (MHUF)	1,78,775	0.56	-	1,78,775	0.56	-
NARENDER SURANA (HUF)	1,06,500	0.33	-	1,06,500	0.33	-
DEVENFRA SURANA (HUF)	67,500	0.21	-	67,500	0.21	-
G M SURANA (HUF)	1,66,380	0.52	-	1,66,380	0.52	-
NAMRATA SURANA	18,70,435	5.85	-	18,70,435	5.85	-
DEVENDRA SURANA	31,34,660	9.80	-	31,34,660	9.8	-
SUNITA SURANA	15,51,396	4.85	-	15,51,396	4.85	-
NARENDER SURANA	33,28,466	10.40	(0.10)	33,59,814	10.50	-
VINITA SURANA	7,16,822	2.24	-	7,16,822	2.24	-
MANISH SURANA	32,19,807	10.06	-	32,19,807	10.06	-
NIVRITI SAMKIT JAIN	3,47,500	1.09	-	3,47,500	1.09	-
RAHUL SURANA	14,04,500	4.39	-	14,04,500	4.39	-
SRESHA SURANA	6,70,732	2.10	-	6,70,732	2.1	-
MITALI SURANA	3,00,000	0.94	-	3,00,000	0.94	-
ADVAIT SURANA	10,17,036	3.18	-	10,17,036	3.18	-
BHAGYANGAR SECURITIES PRIVATE LIMITED	78,957	0.25	-	78,957	0.25	-
SURANA INFOCOM PRIVATE LIMITED	43,41,581	13.57	-	43,41,581	13.57	-
SURANA TELECOM AND POWER LIMITED	11,47,166	3.59	-	11,47,166	3.59	-

The Shareholding information has been extracted from the records of the Company including register of shareholders/ members and is based on legal ownership of shares.

## Notes forming part of the Standalone Financial Statements

**Note : 16**

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Equity	Sub note	Non Current Portion	
		As at 31.03.2022	As at 31.03.2021
<b>General Reserves</b>			
Balance as per Last Account		2,500.00	<b>2,500.00</b>
<b>Add:</b> Transferred from Retained Earnings		-	-
<b>Balance at the year end</b>		<b>2,500.00</b>	2,500.00
<b>Capital Reserves</b>			
Balance as per Last Account		166.77	166.77
<b>Balance at the year end</b>		<b>166.77</b>	166.77
<b>Capital Redemption Reserve</b>			
Balance as per Last Account		210.20	210.20
<b>Balance at the year end</b>		<b>210.20</b>	210.20
<b>Retained Earnings</b>			
<b>Add:</b> Profit during the year/period		8,912.00	8,814.78
Amount available for Appropriation		436.99	97.23
Transfer to General Reserve		<b>9,348.99</b>	8,912.00
<b>Balance at the year end</b>		<b>9,348.99</b>	8,912.00
<b>TOTAL</b>		<b>12,225.96</b>	<b>11,788.97</b>

**The Description, Nature and Purpose of each reserve with in equity are as follows:**

**General Reserve:** This reserve is the retained earnings of the company, which are kept aside out of the Company's profit to meet future (known or unknown) obligations.

**Retained Earnings:** Retained earnings comprise of net accumulated profit/(loss) of the company, after declaration of dividend.

**Capital Reserve:** Capital Reserve was created on account of merger of various entities with the company.

**Capital Redemption Reserve:** Capital Redemption Reserve was created on account of Buy back of Shares of the Companies.

**Note : 17**

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Non Current Liabilities - Borrowings	Sub Note	Non Current Portion	
		As at 31.03.2022	As at 31.03.2021
<b>Secured (Loan from banks)</b>			
(a) Car Loan - Kotak Bank		6.87	31.93
(b) Car Loan - Yes Bank		0.85	26.84
(c) Guaranteed Emergency Credit Line - State Bank of India		441.77	500.00
(d) Guaranteed Emergency Credit Line - HSBC		1,850.00	-
<b>TOTAL</b>		<b>2,299.50</b>	<b>558.77</b>
Less: Current maturities of long term borrowings		174.39	80.70
<b>TOTAL</b>		<b>2,125.11</b>	<b>478.07</b>

**17(a) Car Loan - Kotak Bank**

Car Loan from Kotak Bank is availed at the interest rate which fluctuates based on market rate. The Loan is repayable in 60 equal monthly instalments. The loan will be completely repaid in FY 2022 - 23.

**17(b) Car Loan - Yes Bank**

Car Loan from Yes Bank is availed at the interest rate which fluctuates based on market rate. The Loan is repayable in 60 equal monthly instalments. The loan will be completely repaid in FY 2022 - 23.

**17(c) Guaranteed Emergency Credit Line(GECL-WCTL) - State Bank of India**

Guaranteed Emergency Credit Line (GECL) of ₹ 500 lacs is sanctioned by State Bank of India by way of Working Capital Term Loan(WCTL) in the month of January,2021 at an interest rate which fluctuates based on market rate. There is a Principal Moratorium of 12 Months and the Principal repayment started in the Month of January,2022. The Loan is repayable in 36 equal Monthly instalments of ₹ 13.88 lacs-.The Principal repayable during FY 2022-23 amounting to ₹ 166.67 lacs is classified under Current Maturities of Long Term Debt-Note:19.

## Notes forming part of the Standalone Financial Statements

### 17(d) Guaranteed Emergency Credit Line - HSBC

Guaranteed Emergency Credit Line (GECL) of ₹ 1850 lacs is sanctioned by HSBC by way of Working Capital Term Loan(WCTL) in the month of December,2021 at an interest rate which fluctuates based on market rate. There is a Principal Moratorium of 24 Months, The Loan is repayable in 48 EMI's post Moratorium and the Principal repayment starts in the Month of December,2023.

**Note: 18** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Deferred Tax Liability (Net)	Sub note	As at 31.03.2022	As at 31.03.2021
(a) Deferred Tax Liability at the beginning of the year		(67.52)	54.12
Less : Deferred Tax Liability for the year, on account of timing difference		67.52	13.40
<b>TOTAL</b>		-	<b>67.52</b>

**Note: 19** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Current Borrowings	Sub Note	As at 31.03.2022	As at 31.03.2021
<b>Secured</b>			
- Working Capital Demand Loan		2,850.00	3,640.00
- Cash Credit		1,432.90	5,038.94
- Foreign Currency Demand Loan		3,500.00	923.07
<b>Current Maturities on Long Term Debt</b>			
(a) Car Loan - kotak Bank (refer Note 17(a))		6.87	26.69
(b) Car Loan - Yes Bank (refer Note 17(b))		0.85	12.34
(c) Guaranteed Emergency Credit Line - state Bank of India (refer Note 17(c))		166.67	41.67
<b>TOTAL</b>		<b>7,957.29</b>	<b>9,682.71</b>

#### Particulars of Nature of security

Foreign Currency Demand Loan and working capital Demand loan is carved out of cash credit limits and secured by first charge on entire current assets of the company on pari passu basis with other banks along with immovable properties forming part of Fixed Assets of the Company and personal on demand.

#### Foreign Currency Demand - mention details as above

The Company has taken loans against security of current assets and quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.

**Note: 20** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Trade Payables	Sub Note	As at 31.03.2022	As at 31.03.2021
<b>Unsecured</b>			
- Total Outstanding dues of Micro and small Enterprises		-	-
- Total Outstanding dues of creditors other than Micro and small Enterprises		1,832.79	389.51
Outstanding dues to related parties	<b>20(a)</b>	296.28	419.34
<b>TOTAL</b>		<b>2,129.07</b>	<b>808.85</b>

#### Trade payable ageing schedule

As at March 31, 2022	Outstanding for following periods from due date of payment				
	>1 year	1-2 year	2-3 year	<3 year	Total
Undisputed outstanding Dues					
- Total Outstanding dues of Micro and small Enterprises	-	-	-	-	-
- Total Outstanding dues of Creditores other than and small Enterprises	2,077.27	45.98	5.81	-	<b>2,129.07</b>

## Notes forming part of the Standalone Financial Statements

### Trade payable ageing schedule

As at March 31, 2021	Outstanding for following periods from due date of payment				
Undisputed outstanding Dues	>1 year	1-2 year	2-3 year	<3 year	Total
- Total Outstanding dues of Micro and small Enterprises	-	-	-	-	-
- Total Outstanding dues of Creditores other than and small Enterprises	808.85	-	0.39	-	808.85

- a. All the Trade payable are unsecured
- b. There are no disputed trade payables in the current and previous year.
- c. Terms and conditions of the above financial liabilities:  
Trade payables are non-interest bearing and are normally settled on 30-120 days terms. For explanations on the Company's credit risk management process, refer to note 45.
- d. No Debts due to Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member except as mentioned below

Payable to Related party	Balance as on 31.03.2022	Balance as on 31.03.2021
Name of the company		
Surana Solar Limited	-	254.21
Surana Solar systems pvt Limited	296.28	165.12
<b>TOTAL</b>	<b>296.28</b>	<b>419.34</b>

**Note: 21** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Current Financial Liabilities	Sub note	As at 31.03.2022	As at 31.03.2021
(a) Unclaimed Dividends		2.58	5.14
(b) Liability for Expenses		29.20	20.47
<b>TOTAL</b>		<b>31.78</b>	<b>25.62</b>

**Note: 22** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Current Liabilities	Sub note	As at 31.03.2022	As at 31.03.2021
Advance from Customers		234.12	214.55
Statutory Dues Payable		37.23	25.03
<b>TOTAL</b>		<b>271.34</b>	<b>239.59</b>

**Note: 23** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Provisions	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Bonus payable		9.00	9.00
Liability For Expenses		61.48	33.72
<b>TOTAL</b>		<b>70.48</b>	<b>42.72</b>

**Note: 24** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Revenue from Operations	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
(a) Sale of products			
Copper products		1,27,628.16	58,634.37
Sale of Wind power		450.36	477.57
<b>SUB - TOTAL</b>		<b>1,28,078.52</b>	<b>59,111.94</b>
Less: Inter-Unit Sales		-	185.24
<b>GROSS SALES</b>		<b>1,28,078.52</b>	<b>58,926.69</b>
<b>NET SALES</b>		<b>1,08,947.19</b>	<b>50,439.37</b>
(b) Property Leasing and sales		125.38	122.29
<b>TOTAL</b>		<b>1,09,072.57</b>	<b>50,561.66</b>



## Notes forming part of the Standalone Financial Statements

**Note: 25** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Income	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
(a) Interest Income			
Interest on Loans, Deposits and Others		215.83	249.95
(b) profit on sale of sundry Assets		42.91	0.03
(c) Miscellaneous Income		1.22	2.53
(d) Balances no Longer payable written Back		5.95	5.15
<b>TOTAL</b>		<b>265.91</b>	<b>257.66</b>

**Note: 26** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Cost of Raw Materials and components Consumed	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Opening Stock Raw Materials		3,216.48	3,189.72
Add: Purchases		1,04,505.98	49,522.58
Less: Closing stock Raw Materials		4,240.37	3,216.48
Less: Inter-unit purchases		-	185.24
<b>TOTAL</b>		<b>1,03,482.09</b>	<b>49,310.58</b>

**Note: 27** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

(Increase)/Decrease in stock	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Opening Stock WIP		3,856.83	1,141.89
Less: Closing Stock WIP		4,082.17	3,853.83
<b>TOTAL</b>		<b>(228.35)</b>	<b>(2,711.93)</b>

**Note: 28** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Employee Benefits Expense	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Salaries, Wages and Other Employee Benefits		481.01	398.26
Financial Charges		65.34	47.23
<b>TOTAL</b>		<b>546.35</b>	<b>445.49</b>

**Note: 29** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Finance Costs	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Interest Expense			
Cash Credit & others		569.77	520.41
Long Term Loan		68.80	4.38
Financial Charges		47.22	45.34
<b>TOTAL</b>		<b>685.79</b>	<b>570.13</b>

**Note: 30** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Depreciation and Amortisation Expenses	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Depreciation		364.37	363.68
Amortisation Expenses - Lease Rent		3.60	3.60
<b>TOTAL</b>		<b>367.97</b>	<b>367.28</b>

## Notes forming part of the Standalone Financial Statements

**Note: 31**

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Expenses	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Consumption of Stores and spare Parts		200.82	226.53
Processing & Conversion Charges		904.79	291.51
Power And Fuel		1,313.74	903.81
Rent		18.45	18.00
Repairs			
Buildings		1.31	0.15
Machinery		617.03	575.29
Others		44.87	26.60
Insurance		60.26	40.40
Rates And Taxes		25.63	8.30
Packing And Forwarding		319.83	146.58
Remuneration To Directors		108.00	108.00
Advertisement And Sales Promotion		20.08	14.88
Travelling & Conveyance		21.88	29.64
Corporate Social Responsibility Expense		6.85	11.51
Director's Sitting Fees		2.88	2.84
Payments To The Auditor			
for Statutory Audit		3.60	3.35
for Tax Audit		0.70	0.70
for Taxatib/Other Matters		0.70	0.70
for Reimbursement of Expenses		0.40	0.40
Other Miscellaneous Expenses		142.52	173.80
<b>TOTAL</b>		<b>3,814.33</b>	<b>2,583.00</b>

Other Miscellaneous Expenses	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Post. Tel & Telephone		5.97	6.64
Legal & Licence Fees		3.79	3.88
Commission On Sales/Purchases		8.17	5.09
Professional Charges		21.71	49.08
Sundry Balances Written Off		16.39	27.35
Agm & Board Expenses		0.16	0.08
Water Charges		16.86	19.34
Office Maintenance		9.94	8.26
Testing Charges		0.12	-
Watch & Ward		25.52	29.94
Books & Periodicals		0.14	0.16
Donation		0.50	5.40
Weighment Charges		2.87	1.80
Listing Fees		5.40	5.40
Membership & Subscription		9.47	3.70
Other. Expenses		4.09	3.08
Printing & Stationery		5.56	4.61
Software Development Charges		5.87	-
<b>TOTAL</b>		<b>142.52</b>	<b>173.80</b>

## Notes forming part of the Standalone Financial Statements

### 32. Related Party Disclosure:

#### List of Related Parties:

I. **Subsidiary Company (wholly owned)** : Bhagyanagar Copper Private Limited

#### II. Key Managerial Personnel :

- (i) Narender Surana (Managing Director)
- (ii) Devendra Surana (Managing Director)
- (iii) N C Bhardwaj (Whole Time Director)
- (iv) Surendra Bhutoria (CFO)
- (v) Srinivas Dudam (CS)

#### III. Enterprises owned or significantly influenced by key management personnel or their relatives:

- (i) Surana Telecom and Power Limited
- (ii) Surana Solar Limited
- (iii) Surana Solar Systems Private Limited

#### IV. Relatives of Key Managerial Personnel

- (i) Namrata Surana
- (ii) Nivriti Sanket Jain

#### Transactions with Related parties:

##### A. List of Transactions Occurred during the year are as follows

Related Party	Nature of transaction	2021-22	2020-21
Surana Solar Limited	Purchase Of SPV Modules	-	9.43
Surana Solar Limited	Purchase of copper scrap	-	254.21
Surana Solar System private Limited	Purchase of solar power	131.15	186.46
Surana Telecom & Power Limited	Purchase of modules	-	3.36
Bhagyanagar Copper Pvt Ltd	Purchase of copper	3670.06	2700.13
Bhagyanagar Copper Pvt Ltd	Job work paid	1283.63	339.33
Bhagyanagar Copper Pvt Ltd	Sale of copper	1045.40	4421.58
Bhagyanagar Copper Pvt Ltd	Interest received	201.12	231.79
Surana Electrix Private Limited	Investment in shares	-	0.19
Devendra Surana	Remuneration -MD	108.00	108.00
Surendra Bhutoria	Remuneration -CFO	22.26	20.94
N C Bhardwaj	Remuneration - WTD	15.57	15.57
N.K.Reddy	Remuneration - WTD	-	0.96
Namrata Surana	Remuneration	18.00	18.00
Nivriti Sanket Jain	Remuneration	15.10	10.45
Srinivas Dudam (from 07.08.2021)	Remuneration - CS	8.88	-
Subhojeet Bhattacharjee (till 05.07.21)	Remuneration - CS	1.53	4.65

##### B. List of Transactions Occurred during the year are as follows:

Balance Outstanding	Nature of transaction	2021-22	2020-21
Surana Solar Limited	Trade Payable	-	254.21
Surana Solar System private Limited	Trade Payable	296.28	165.12

## Notes forming part of the Standalone Financial Statements

### C. Details of Loan given and recovered with the related parties during the year:

Related Party	Nature of transaction	2021-22	2020-21
<b>BHAGYANAGAR COPPER PRIVATE LIMITED</b>	Opening Balance	2912.60	1349.01
	Loan given during the year (net of amount received back)*	NIL	1563.57
	Closing Balance*	1871.07	NIL
	Max Bal O/s at any given point of time*	1041.53	2912.59

(\*) There are multiple transactions with the party. The amount represents net balance of multiple transactions during the year.

33. Disclosure pursuant to Securities Exchange Board Of India (Listing Obligation and Disclosure Requirement and Regulation 2015) and Section 186 of the Companies Act 2013 is disclosed in note no.32

34. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

### 35. Earnings Per Share (EPS)

Figures in Lacs

Particulars	2021-22	2020-21
Net Profit after Tax	436.98	97.23
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	436.98	97.23
Weighted Average No. Of Equity Shares For Basic EPS (No.s)	3,19,95,000	3,19,95,000
Weighted Average No. Of Equity Shares For Diluted EPS (No.s)	3,19,95,000	3,19,95,000
Nominal Value of Equity Shares	2/-	2/-
Basic Earnings Per Equity Share	1.36	0.30
Diluted Earnings Per Equity Share	1.36	0.30

### 36. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at 31-03-2022	As at 31-03-2021
Contingent Liabilities	30.13	35.37
Commitments:		
Guarantees issued by banks	645.00	229.00
Corporate Guarantee given for Wholly-Owned Subsidiary – BCPL	6859.74	3696.20

### 37. Foreign Currency Exposure:

Particulars	As at 31-03-2022 USD	As at 31-03-2021 USD
<b>Hedged</b>	46.21	-
<b>Unhedged</b>	-	12.55

### 38. Retirement and Other Employees Benefits

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.

Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss account in the year in which they accrue.

Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done. The gratuity liability and the net periodic gratuity cost is actually determined after considering discounting rates, expected long term return on plan assets and increase in compensation level. All actuarial gain/ losses are immediately charged to the Profit & Loss account and are not deferred.

## Notes forming part of the Standalone Financial Statements

The following table summarizes the components of Net Benefit expenses recognized in the Profit & Loss account and amount recognized in the Balance Sheet for the respective plans.

### A Expenses recognised in the Profit & Loss Account

Particulars	Gratuity	
	2021-22	2020-21
Current service cost	9.87	8.04
Interest cost	12.21	11.09
Expected Return on Planned Assets	6.59	(53.71)
Net Actuarial Loss/ (Gain) recognized in the year	(15.27)	(3.13)
Expenses recognised in Statement of Profit & Loss	<b>0.22</b>	<b>69.71</b>

### B Change in Present value of obligation during the year ended 31<sup>st</sup> March, 2022

Particulars	Gratuity	
	2021-22	2020-21
Present Value of obligation as at beginning of the year	174.43	158.43
Interest Cost	12.21	11.09
Current Service Cost	9.87	8.03
Benefits Paid-Actuals	(6.87)	NIL
Actuarial (Gain)/ Loss on Obligations	(15.27)	(3.13)
<b>Present Value of obligation as at end of the year</b>	<b>174.37</b>	<b>174.43</b>

### C Change in fair value of Plan Assets during the year ended 31<sup>st</sup> March, 2022

Particulars	Gratuity	
	2021-22	2020-21
Fair value of Plan Assets as at the beginning of the year	98.21	151.92
Expected Return on Plan Assets	6.60	(53.70)
Contributions	12.01	NIL
Benefits Paid	(6.87)	NIL
<b>Fair value of Plan Assets as at the end of the year</b>	<b>109.95</b>	<b>98.21</b>

### D Actuarial Gain/ loss recognized

Particulars	Gratuity	
	2021-22	2020-21
Actuarial (Gain) / Loss for the year –Obligation	15.27	3.13
Total Loss for the Year	15.27	3.13
Actuarial (Gain) / Loss recognized in the year	15.27	3.13

### E Actuarial assumption

Particulars	Gratuity	
	2021-22	2020-21
Discount rate used	7.00%	7.00%
Salary escalation	6%	6%

### 39. Sales During the year: (Gross)

Sl.No.	Particulars	2021-22		2020-21	
		Qty(MTs)	Amount(₹)	Qty(MTs)	Amount(₹)
i	Copper	14419	127125.28	10608	58314.05
ii	Wind Power	-	450.35	-	477.56
iii	Job Work Charges	-	502.87	-	320.31
	<b>TOTAL</b>	<b>14419</b>	<b>128078.51</b>	<b>10608</b>	<b>59111.93</b>

## Notes forming part of the Standalone Financial Statements

### 40. Raw material consumed during the year

Figures in Lacs

SI.No.	Particulars	2021-22	2020-21
I	Copper	102544.52	46041.12
ii	Others	709.21	638.31
iii	<b>Inter Unit Transfers</b>		
	(a) Copper	-	185.24
	(b) Others	-	-
	<b>SUB-TOTAL</b>	<b>103253.79</b>	<b>46864.68</b>
	Less: Inter Unit Purchases	-	185.24
	<b>TOTAL</b>	<b>103253.73</b>	<b>46679.44</b>

**Note:** Material which are included in others do not individually exceed 10 % of consumption.

### 41. Earnings in Foreign Currency

Figures in Lacs

Particulars	2021-22	2020-21
Export Sales	4307.86	476.41
<b>TOTAL</b>	<b>4307.86</b>	<b>476.41</b>

### 42. CIF Value of Imports

Figures in Lacs

Particulars	2021-22	2020-21
Raw material / Traded Goods	5390.02	3806.41
Stores & Spares	279.75	209.20
<b>TOTAL</b>	<b>5669.77</b>	<b>4015.61</b>

### 43. Details of imported and indigenous raw materials, spares and packing materials consumed

Figures in Lacs

Particulars	2021-22		2020-21	
	Value	% of Total Consumption	Value	% of Total Consumption
Raw materials & Components				
(a) Imported	5390.02	5	3806.42	8
(b) Indigenous	97863.72	95	42873.02	92
<b>TOTAL</b>	<b>103253.74</b>	<b>100</b>	<b>46679.43</b>	<b>100</b>
Stores & Spare Parts (including consumed for repair)				
(a) Imported	279.75	41	209.20	33
(b) Indigenous	397	59	426.07	67
<b>TOTAL</b>	<b>677.39</b>	<b>100</b>	<b>635.27</b>	<b>100</b>

### 45. Segment Reporting:

#### Factors used to identify the reportable segments:

The Company has following business segments, which are its reportable segments. These segments offer different products and services, and are managed separately because they require different technology and production processes. Operating segment disclosures are consistent with the information:

SI No.	Reportable segments	Product/Service
1.	Manufacturing of Copper Products	Copper Products
2.	Wind Power	Generation of Wind Power Energy

## Notes forming part of the Standalone Financial Statements

Figures in ₹

Particulars	Copper Products		Renewable Energy		Total	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>REVENUE</b>						
External Sales	1,08,500.79	49,980.07	446.04	477.57	1,08,947.19	50,457.64
Other Operating income	-	-			125.38	104.02
<b>Total Revenue</b>	<b>1,08,500.79</b>	<b>49,980.07</b>	<b>446.40</b>	<b>477.57</b>	<b>1,09,072.57</b>	<b>50,561.66</b>
<b>RESULTS</b>						
Segment results	1,682.41	1,077.87	57.93	87.69	1,740.34	1,165.56
Unallocable income/Expenses					384.30	340.66
Operating Profit					1,356.04	824.90
Interest Expenses					685.79	570.13
Profit from Ordinary Activities					670.25	254.77
<b>Net Profit</b>					<b>436.96</b>	<b>97.23</b>

### Other Information

Segment Assets	22,192.25	20,198.69	1,172.03	1,481.21	23,364.28	21,679.90
Unallocable Assets					2,086.65	2,026.52
<b>Total Assets</b>					<b>25,450.93</b>	<b>23,706.42</b>
Segment Liabilities	12,539.58	10,708.38	29.11	43.05	12,568.69	11,297.02
Unallocable Liabilities					16.40	48.03
<b>Total Liabilities</b>					<b>12,585.09</b>	<b>11,345.08</b>
Capital Expenditure	12.84	63.80	-		12.84	63.80
Unallocable Capital Expenditure					-	-
<b>Total Capital Expenditure</b>					<b>12.84</b>	<b>63.80</b>
Depreciation	74.61	84.57	236.52	236.52	311.13	321.09
Unallocable Depreciation					56.84	46.19
<b>Total Depreciation</b>					<b>367.97</b>	<b>367.28</b>

#### 45. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

##### A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

##### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument 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 debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps

##### B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade

## Notes forming part of the Standalone Financial Statements

receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

### C. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Figures in Lacs

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
<b>31-Mar-22</b>					
<b>Borrowings</b>	-	7957.35	1816.77	308.83	10082.45
<b>31-Mar-21</b>					
<b>Borrowings</b>	-	9682.70	478.07	-	10160.78

### 46. Trade receivables

The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Company and changes in the operating results of the borrower

Based on the above analysis, the Company does not expect any credit risk from its trade receivables for any of the years reported in this financial statements.

### 47. Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2022 and 2021 is the carrying amounts.

### 48. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.



## Notes forming part of the Standalone Financial Statements

Figures in Lacs

Particulars	31-Mar-22	31-Mar-21
Borrowings (Long term and Short term including Current maturity of Long term Borrowings)	10082.45	10160.77
Other Payable (current and non-current, excluding current maturity of long term borrowings)	2502.68	1116.77
Less Cash and Cash Equivalents	133.49	259.52
Net Debt	12451.64	11018.03
Equity Share capital	639.90	639.90
Other Equity	12225.89	11788.97
Total Capital	12865.79	12428.87
Capital and Net debt	25317.44	23446.90
Gearing ratio (in %)	49.18	46.99

### 49. Ratio analysis and its elements.

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Reason for variance
Current Ratio	Current Assets	Current Liabilities	1.77	1.35	30.87	Note(a)
Debt-Equity Ratio	Long Term Debt	Shareholder's Equity	0.17	0.04	329.42	Not (g)
Debt Service Coverage Ratio	Earning for debt service = Net profit before taxes + non-cash operating expenses + Finance Cost	Debt service = Interest & lease payments + principal repayments	2.00	1.83	9.42	-
Return on Equity ratio %	Net profit after taxes	shareholder's equity	3.40	0.78	334.13	Note(b)
Inventory Turnover Cycle (no. of days)	Cost of goods sold or sales	Average inventory	28	51	(45.50)	Note(c)
Trade receivables turnover cycle (no of days)	Trade Receivables	Gross Sales	21	35	(40.81)	Note(d)
Trade payables turnover Cycle (No of days)	Trade Payables	Net Purchases	7	6	24.73	-
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working Capital Current assets Current liabilities	13.56	13.30	1.94	-
Net Profit Ratio	Net profit after taxes	Net Sales = Total sales - Sales return	0.40	0.19	108.06	Note(e)
Return on capital employed(%)	Earnings before interest Depreciation and taxes	Capital employed = Total Assets - Current liabilities	11.50	9.19	25.16	Note (f)

#### Notes:

- Changes in the ratio is due to increase in Current Assets(inventory and receivables) of the company.
- Changes in the ratio is due to increase in net profit because of revenue growth.
- Transit period inventory has come down due to lower imports resulting into reduction of overall inventory holding period.
- Prudent Credit policy and year end realization has brought down the receivable cycle which otherwise is between 30 to 40 days.
- Changes in the ratio is due to increase in net profit because of revenue growth
- Changes in the ratio is due to increase in EIBDTA because of revenue growth
- Changes in the ratio is due to increase in borrowing due to scaling up of operation

## Notes forming part of the Standalone Financial Statements

### 50. Other Statutory Information

- a) The Company does not have any Benami Property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.
  - b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
  - c) The Company has not traded or invested in Crypto currency or virtual Currency during the financial year.
  - d) The Company has not advanced or loaned or invested funds to any other person or entity including foreign entities (intermediaries) with the understanding that the Intermediary shall:
    - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - e) The Company has not received any fund from the person or entity, including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or 51. Previous year's figures have been regrouped and rearranged, wherever found necessary.
    - ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
  - f) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
  - g) The Company does not have any transactions with companies struck off.
  - h) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
51. Previous year's figures have been regrouped and rearranged, wherever found necessary.

### As per our report of even date attached

#### For Luharuka & Associates

Chartered Accountants,

#### Rameshchand Jain

Partner

M. No. 023019

Firm Reg No.01882S

Place: Secunderabad,

Date : May 28, 2022

### For and on behalf of the BOD of Bhagyanagar India Limited

#### Narender Surana

Managing Director

DIN: 00075086

#### Surendra Bhutoria

Chief Financial Officer

#### Devendra Surana

Managing Director

DIN: 00077296

#### Srinivas Dudam

Company Secretary

M.No: A23425

## Independent Auditors' Report on Consolidated Financial Statements

To the Members of  
**BHAGYANAGAR INDIA LIMITED**

### Report on Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated Financial Statements of **BHAGYANAGAR INDIA LIMITED** (herein after referred to as "The Holding Company") and one of its subsidiary **BHAGYANAGAR COPPER PRIVATE LIMITED** (Earlier 'Aanvik Mercantile Private Limited' ) (collectively referred to as "the Group"), comprising of the consolidated balance sheet as at 31 March 2022, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement, the consolidated statement of change in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of other financial information of the subsidiary, the aforesaid consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2022, and their consolidated profit including other comprehensive Income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

#### Basis For Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibility under those standards are further described in the 'Auditor's Responsibility for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with ethical requirement that are relevant to our audit of consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants and are relevant provision of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

We have determined that there are no other key audit matters to communicate in our report.

#### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, 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 obtain in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the Companies included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error,

which have been used for the purpose of preparation of the Ind AS consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters relating 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 respective Board of Directors of the companies included in the group are responsible for overseeing the company's financial reporting process of the Group.

### **Auditors Responsibilities for the audit of 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 opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal financial 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 Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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 financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Report on Other Legal and Regulatory Requirements

- 1) As required by section 143(3) of the Act, we report, to the extent applicable that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of aforesaid consolidated financial statements.
  - b. In our opinion proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books and the reports of the group company.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with relevant books of account and records maintained for the purpose of preparation of consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e. On the basis of written representations received from the directors of Holding Company as on March 31, 2022, and taken on record by the Board of Directors of Holding Company and the report of the statutory auditors of subsidiary company, incorporated in India, none of the directors of the Group Companies, incorporated in India, is disqualified as on March 31, 2022, from being appointed as a directors in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements 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.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, remuneration has been paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 which would impact its consolidated financial Statement.
    - (ii) The Group did not have any long-term contracts including derivative contracts as at March 31, 2022; as such the question of commenting on any material foreseeable losses thereon does not arise.
    - (iii) There has been no delaying in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group, incorporated in India.
    - (iv)
      - a) The respective Managements of the company and its subsidiaries which are incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and brief belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from the borrowed funds or share premium or any other sources or kind of funds) by the Company or any such of subsidiaries to or in any other person or entity including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries

- b) The respective Management of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of the knowledge and belief no funds (which are material either individually or in the aggregate) have been received by the company or any of subsidiaries from any person or entity, including foreign entity ("Funding parties") with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations are under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- 2) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies( Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanation given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

for Luharuka & Associates  
Chartered Accountants  
Firm Reg No:- 01882S

Rameshchand Jain  
(Partner)

Membership No.023019

**UDIN: 22023019AJUCJA2614**

Place: Secunderabad  
Date: 28.05.2022

## Annexure - A to the Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Financial Statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of **BHAGYANAGAR INDIA LIMITED** ("the Holding Company") and one of its subsidiary company, **BHAGYANAGAR COPPER PRIVATE LIMITED** (Earlier 'Aanvik Mercantile Private Limited' ) (together referred to as "the Group"), which are company incorporated in India, as of that date.

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

The Respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

**Opinion**

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Luharuka & Associates  
Chartered Accountants  
Firm Reg No:- 01882S

Place: Secunderabad  
Date: 28.05.2022

Rameshchand Jain  
(Partner)  
Membership No.023019  
**UDIN: 22023019AJUCJA2614**



## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Particulars	Note	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	5	7,666.88	8,080.66
(c) Financial Assets			
- Investments	6	2.19	2.19
- Other Non current Fiancial Assets	7	145.55	139.60
		<b>7,814.62</b>	<b>8,222.46</b>
<b>Current assets</b>			
(a) Inventories(Valued at lower of Cost and Net Realisable Value)	8	10,480.15	8,550.73
(a) Financial assets			
- Trade receivables	9	9,793.66	8,854.14
- Cash and cash equivalents	10	913.78	31.80
- Bank balances other than above	11	276.09	384.99
(c) Current Tax Assets (net)	12	428.64	251.82
(d) Other current assets	13	5,433.30	3,910.33
		<b>27,325.61</b>	<b>21,983.83</b>
<b>Total assets</b>		<b>35,140.24</b>	<b>30,206.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	639.90	639.90
(b) Other Equity	15	13,111.37	12,003.17
		<b>13,751.27</b>	<b>12,643.07</b>
<b>Total Equity</b>		<b>13,751.00</b>	<b>12,643.00</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
- Borrowings	16	4,734.19	3,270.00
(b) Deferred tax liabilities (Net)	17	-	67.52
(b) Othe non-current liabilities			
		<b>4,734.19</b>	<b>3,337.52</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
- Borrowings	18	13,188.13	12,181.19
- Trade payables	19	2,619.09	1,646.67
- Other Current financial liabilities	20	31.78	25.62
(b) Deferred tax liabilities	21	690.01	299.89
(c) Provisions	22	125.77	72.31
		<b>16,654.78</b>	<b>14,225.69</b>
<b>Total liabilities</b>		<b>21,389.00</b>	<b>17,563.00</b>
<b>Total equity and liabilities</b>		<b>35,140.24</b>	<b>30,206.28</b>

Significant accounting policies and key accounting estimates and judgements

1 to 4

See accompanying notes form an integral part of Consolidated financial statements.

31 to 50

**As per our report of even date attached**

**For Luharuka & Associates**

Chartered Accountants,

**For and on behalf of the BOD of Bhagyanagar India Limited**

**Rameshchand Jain**

Partner

M. No. 023019

Firm Reg No.01882S

**Narender Surana**

Managing Director

DIN: 00075086

**Devendra Surana**

Managing Director

DIN: 00077296

**Surendra Bhutoria**

Chief Financial Officer

**Srinivas Dudam**

Company Secretary

M.No. A23425

Place: Secunderabad,

Date : May 28, 2022

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Particulars	Note No.	For the year 31.03.2022	For the year 31.03.2021
<b>I INCOME</b>			
Revenue from Sale of Product		1,57,238.08	78,614.11
Infrastructure Leasing		125.38	122.29
		<b>1,57,363.46</b>	<b>78,736.40</b>
<b>NET REVENUE FROM OPERATIONS</b>	<b>23</b>	<b>1,57,363.46</b>	<b>78,736.40</b>
<b>OTHER INCOME</b>	<b>24</b>	<b>77.50</b>	<b>29.80</b>
<b>TOTAL INCOME</b>		<b>1,57,440.97</b>	<b>78,766.20</b>
<b>II EXPENSES</b>			
Cost of Raw Materials and Components Consumed (Increase)/Decrease in Inventories	<b>25</b>	1,48,470.05	74,735.51
Work-in-Progress and Stock in Trade	<b>26</b>	(228.35)	(2,711.93)
Employee Benefit Expenses	<b>27</b>	876.25	737.61
Finance Costs	<b>28</b>	1,182.74	831.78
Depreciation and Amortisation Expenses	<b>29</b>	572.46	553.58
Other Expenses	<b>30</b>	5,226.30	4,097.92
<b>TOTAL EXPENSES</b>		<b>1,56,099.45</b>	<b>78,244.47</b>
<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (I-II)</b>		<b>1,341.52</b>	<b>521.73</b>
<b>VIII EXCEPTIONAL ITEMS</b>		-	-
<b>IX PROFIT BEFORE TAX (VI+VII)</b>		<b>1,341.52</b>	<b>521.73</b>
<b>X TAX EXPENSE</b>			
1. Current Tax		333.67	84.17
2. Deferred Tax		(67.52)	13.40
3. MAT Entitlement Credit		(48.72)	76.38
4. Excess MAT Credit reversed		15.90	-
<b>XI PROFIT AFTER TAX (VIII-IX)</b>		<b>1,108.19</b>	<b>347.78</b>
<b>XII OTHER COMPREHENSIVE INCOME (OCI)</b>			
<b>A</b> Items that will not be reclassified to profit or loss		-	-
<b>B</b> Items that will be reclassified to profit or loss		-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR (X+XI)</b>		<b>1,108.19</b>	<b>347.78</b>
<b>Profit for the year attributable to</b>			
Owners of the company		1,108.19	347.78
Non Controlling Interest		-	-
Total other Comprehensive Income attributable to Owners of the company		1,108.19	347.78
Non Controlling Interest		-	-
Total Comprehensive Income attributable to Owners of the company		1,108.19	347.78
Non Controlling Interest		-	-
Total Comprehensive Income for the period		1,108.19	347.78
Paid up Equity share capital (Face value of the share ₹/- each)		639.90	639.30
Other Equity		13,111.37	12,003.17
<b>XIV EARNINGS PER EQUITY SHARE</b>			
1. Basic		3.46	1.09
2. Diluted		3.46	1.09

Significant accounting policies and key accounting estimates and judgements  
See accompanying notes form an integral part of Consolidated financial statements.

1 to 4  
31 to 50

**As per our report of even date attached**

**For Luharuka & Associates**

Chartered Accountants,

**For and on behalf of the BOD of Bhagyanagar India Limited**

**Rameshchand Jain**

Partner

M. No. 023019

Firm Reg No.01882S

**Narender Surana**

Managing Director

DIN: 00075086

**Devendra Surana**

Managing Director

DIN: 00077296

**Surendra Bhutoria**

Chief Financial Officer

**Srinivas Dudam**

Company Secretary

M.No. A23425

Place: Secunderabad,

Date : May 28, 2022

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

### A. Equity Share capital

Particulars	No of shares	In Rupees
<b>Balance as at 1 April 2021</b>	<b>3,19,95,000</b>	<b>639.90</b>
Changes in equity share capital during 2021-22	-	-
<b>Balance as at 31 March 2022</b>	<b>3,19,95,000</b>	<b>639.90</b>
<b>Balance as at 1 April 2020</b>	<b>3,19,95,000</b>	<b>693.90</b>
Changes in equity share capital during 2020-21	-	-
<b>Balance as at 31 March 2021</b>	<b>3,19,95,000</b>	<b>639.90</b>

### B. Other equity

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Particulars	Reserve & Surplus				
	Retained Earnings	General Reserve	Capital Reserve	Capital Redemption Reserve	Total
<b>Balance at 1 April, 2021</b>	<b>8,639.57</b>	<b>2,500.00</b>	<b>653.41</b>	<b>210.20</b>	<b>12,003.17</b>
Profit for the year	1,108.19	-	-	-	<b>1,108.19</b>
Other Comprehensive Income (net of tax)	-	-	-	-	-
<b>Add: Transferred (to)/from Retained Earnings</b>	-	-	-	-	-
<b>Balance at 31 March, 2022</b>	<b>9,747.76</b>	<b>2,500.00</b>	<b>653.41</b>	<b>210.20</b>	<b>13,111.37</b>
<b>Balance at 1 April, 2020</b>	<b>8,291.73</b>	<b>2,500.00</b>	<b>653.41</b>	<b>210.20</b>	<b>11,655.40</b>
Profit for the year	347.78	-	-	-	<b>347.78</b>
Other Comprehensive Income (net of tax)	-	-	-	-	-
<b>Add: Transferred (to)/from Retained Earnings</b>	-	-	-	-	-
<b>Balance at 31 March, 2021</b>	<b>8,639.57</b>	<b>2,500.00</b>	<b>653.41</b>	<b>210.20</b>	<b>12,003.17</b>

Significant accounting policies and key accounting estimates and judgements

1 to 4

See accompanying notes form an integral part of Consolidated financial statements.

31 to 50

### As per our report of even date attached

#### For Luharuka & Associates

Chartered Accountants,

#### Rameshchand Jain

Partner

M. No. 023019

Firm Reg No.01882S

Place: Secunderabad,

Date : May 28, 2022

### For and on behalf of the BOD of Bhagyanagar India Limited

#### Narender Surana

Managing Director

DIN: 00075086

#### Surendra Bhutoria

Chief Financial Officer

#### Devendra Surana

Managing Director

DIN: 00077296

#### Srinivas Dudam

Company Secretary

M.No. A23425

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Particulars	2021-22		2020-21	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit (Loss) before Tax and Exceptional Items</b>		<b>1,341.52</b>		<b>521.73</b>
<b>Adjustments for Non-Operating Activities:</b>				
Depreciation	<b>568.86</b>		<b>549.98</b>	
Amortisation of lease rent	<b>3.60</b>		<b>3.60</b>	
Sundry balance written off	<b>17.59</b>		<b>27.35</b>	
Sundry balance written back	<b>(11.65)</b>		<b>(5.15)</b>	
Interest paid	<b>1,182.74</b>		<b>831.78</b>	
(Profit)/loss on sale of fixed assets	<b>(42.91)</b>		<b>(0.03)</b>	
Interest received	<b>(21.72)</b>	<b>1,696.51</b>	<b>(18.16)</b>	<b>1,389.37</b>
<b>Operating Profit before Working Capital Changes</b>		<b>3,038.03</b>		<b>1,911.10</b>
<b>Movement in Working Capital</b>				
Increase/ (Decrease) in other current liabilities	<b>390.12</b>		<b>(112.48)</b>	
Increase/ (Decrease) in Provisions	<b>53.46</b>		<b>-</b>	
Increase/ (Decrease) in Other financial liabilities	<b>6.17</b>		<b>55.59</b>	
(Increase)/ Decrease in trade payables	<b>984.06</b>		<b>599.82</b>	
(Increase)/ Decrease in other current assets	<b>(1,522.97)</b>		<b>(2,903.65)</b>	
(Increase)/ Decrease in trade receivables	<b>(973.65)</b>		<b>(4,175.77)</b>	
(Increase)/ Decrease in inventory	<b>(1,924.42)</b>	<b>(2,992.22)</b>	<b>(2,857.58)</b>	<b>(9,394.07)</b>
<b>Cash Generation From Operations</b>		<b>45.80</b>		<b>(7,482.96)</b>
<b>Direct Taxes (Net)</b>		<b>(477.67)</b>		<b>(80.79)</b>
<b>Net Cash from Operating Activities (A)</b>		<b>(431.87)</b>		<b>(7,563.75)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Loans given	<b>(5.95)</b>		<b>2.31</b>	
Interest received	<b>21.72</b>		<b>249.95</b>	
Purchase of fixed assets	<b>(143.23)</b>		<b>(495.46)</b>	
Investment in of Shares & Other Investments (Net)	<b>-</b>		<b>(0.19)</b>	
Sale of fixed assets	<b>44.00</b>		<b>0.25</b>	
Dividended Received				
<b>Net Cash from / (Used in) Investing Activities (B)</b>		<b>(83.45)</b>		<b>(243.15)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest Paid	<b>(1,182.74)</b>		<b>(1,063.58)</b>	
(Repayment) from borrowings from bank	<b>2,471.12</b>		<b>8,907.82</b>	
Unpaid Dividend Paid	<b>-</b>		<b>-</b>	

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Particulars	2021-22		2020-21	
	(Increase)/Decrease in restricted deposits	108.91		(125.45)
<b>Net Cash (used in) /from Financing Activities (C)</b>		<b>1,397.29</b>		<b>7,715.79</b>
<b>Net Increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>		<b>881.97</b>		<b>(91.11)</b>
Opening cash and cash equivalent at the beginning of the year		31.80		122.91
Closing cash and cash equivalent at the end of the year		913.78		31.80
<b>Net Increase/(decrease) in cash &amp; cash equivalents</b>		<b>881.97</b>		<b>(91.11)</b>
<b>Notes :</b>				
<b>1. Components of cash and cash equivalents</b>			<b>2021-22</b>	<b>2020-21</b>
Cash in hand			1.52	2.76
Balances with banks			912.25	29.05
Investment in Liquid Funds			-	-
			<b>913.78</b>	<b>31.80</b>

2. Accompanied notes to accounts forms an integral part of the Consolidated financial statements.

As per our report of even date attached  
For Luharuka & Associates  
Chartered Accountants,

**Rameshchand Jain**  
Partner  
M. No. 023019  
Firm Reg No.01882S

Place: Secunderabad,  
Date : May 28, 2022

For and on behalf of the BOD of Bhagyanagar India Limited

**Narender Surana**  
Managing Director  
DIN: 00075086

**Surendra Bhutoria**  
Chief Financial Officer

**Devendra Surana**  
Managing Director  
DIN: 00077296

**Srinivas Dudam**  
Company Secretary  
M.No. A23425

## SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

### 1. Corporate Information

Bhagyanagar India Ltd (“the company”) is a Company registered under the Companies Act, 1956. It is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). It was incorporated on 2<sup>nd</sup> September, 1985 having its registered office at 5<sup>th</sup> Floor, Surya Towers, Sardar Patel Road, and Secunderabad-500003. The company’s CIN No. is L27201TG1985PLC012449. The company is engaged in the manufacture of copper products.

### 2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2022, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

### 3. Use of estimates and judgments:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

### 4. Significant Accounting Policies:

#### (a) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### Other income:

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

#### (b) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(c) Investment Properties**

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

**(d) Intangible Assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

**(e) Depreciation and amortization:**

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

**(f) Current versus non-current classification**

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

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

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

**(g) Financial assets**

Financial assets comprise of cash and cash equivalents.

***Initial recognition:***

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a 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 assets.

***Subsequent Measurement:***

- (i) Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of

the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

***Impairment of Financial Assets:***

Financial assets are tested for impairment based on the expected credit losses.

***De-recognition of Financial Assets:***

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**(h) Impairment of Non-Financial Assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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.

**(i) Cash and Cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

**(j) Financial liabilities**

***Initial recognition and measurement:***

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

***Subsequent measurement:***

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest 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 as finance costs in the statement of profit and loss. This category generally applies to borrowings.

***De-recognition of financial liabilities:***

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



**(k) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

**(l) Employee Benefits**

Employee benefits are charged to the Statement of Profit and Loss for the year.

**Provident Fund**

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognised, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

**Gratuity**

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

**Compensated absences**

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

**Short-term employee benefits**

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

**(m) Income Taxes**

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

**Deferred income tax**

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

**Minimum Alternative Tax (MAT)**

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

**(n) Leases****As a lessee**

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**As a lessor**

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

**(o) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

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 assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

**(p) Fair value measurement**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3— Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**(q) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**(r) Cash dividend to equity holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## Notes forming part of the Consolidated Financial Statements

### Note : 5 Property, Plant and Equipment

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)  
Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31<sup>st</sup> March 2022

Particulars	Freehold Land	Lease Hold Land	Building	Plant & Machinery	Electrical Installation	Office Equipment	Vehicles	Furniture and Fixtures	Computers	Library	Plantation	Grand Total
Gross carrying Value as of April 01, 2021	2,705.44	52.55	849.54	9,724.90	846.10	175.83	619.67	161.80	85.23	0.02	57.60	15,278.67
Additions		8.45	8.45	136.97	0.85		5.59	6.00	1.91			159.77
Deletions		(3.60)	(6.48)				-					(10.08)
<b>Gross carrying Value as at March 31, 2022</b>	<b>2,705.44</b>	<b>48.95</b>	<b>851.52</b>	<b>9,861.87</b>	<b>846.94</b>	<b>175.83</b>	<b>625.26</b>	<b>167.80</b>	<b>87.14</b>	<b>0.02</b>	<b>57.60</b>	<b>15,428.36</b>
Accumulated depreciation as at April 01, 2021	-	-	336.56	5,644.56	386.00	162.77	412.38	153.58	79.10	0.02	23.04	7,198.01
Depreciation			33.86	447.05	38.81	3.57	35.91	0.29	3.62	-	5.76	568.86
Accumulated depreciation on disposals			5.39									5.39
<b>Accumulated depreciation as at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>375.81</b>	<b>6,091.61</b>	<b>424.81</b>	<b>166.33</b>	<b>448.29</b>	<b>153.87</b>	<b>82.71</b>	<b>0.02</b>	<b>28.80</b>	<b>7,761.47</b>
<b>Carrying Value as at March 31, 2022</b>	<b>2,705.44</b>	<b>48.95</b>	<b>475.70</b>	<b>3,770.26</b>	<b>422.13</b>	<b>9.50</b>	<b>176.97</b>	<b>13.93</b>	<b>4.42</b>	<b>-</b>	<b>28.80</b>	<b>7,666.88</b>

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31<sup>st</sup> March 2020

Particulars	Freehold Land	Lease Hold Land	Building	Plant & Machinery	Electrical Installation	Office Equipment	Vehicles	Furniture and Fixtures	Computers	Library	Plantation	Grand Total
Gross carrying Value as at April 01, 2020	2,705.44	56.15	849.54	9,266.78	820.64	175.83	614.74	161.80	78.90	0.02	57.60	14,787.43
Additions			-	458.12	25.46	-	5.55		6.33			495.46
Disposals		(3.60)	-				(0.063)					(4.23)
<b>Gross carrying Value as at March 31, 2021</b>	<b>2,705.44</b>	<b>52.55</b>	<b>849.54</b>	<b>9,754.90</b>	<b>846.10</b>	<b>175.83</b>	<b>619.67</b>	<b>161.80</b>	<b>85.23</b>	<b>0.02</b>	<b>57.60</b>	<b>15,278.67</b>
Accumulated depreciation as at April 01, 2020	-	-	302.70	5,215.24	347.40	159.20	377.54	153.31	75.74	0.02	17.28	6,648.43
Depreciation			33.86	429.32	38.60	3.57	35.25	0.27	3.36	-	5.76	549.98
Accumulated depreciation on disposals			-				(0.41)					(0.41)
Adjustments on Demerger												-
<b>Accumulated depreciation as at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>336.56</b>	<b>5,644.56</b>	<b>386.00</b>	<b>162.77</b>	<b>412.38</b>	<b>153.58</b>	<b>79.10</b>	<b>0.02</b>	<b>23.04</b>	<b>7,198.01</b>
<b>Carrying Value as at March 31, 2021</b>	<b>2,705.44</b>	<b>52.55</b>	<b>512.98</b>	<b>4,080.34</b>	<b>460.10</b>	<b>13.07</b>	<b>207.29</b>	<b>8.22</b>	<b>6.13</b>	<b>-</b>	<b>34.56</b>	<b>8,080.66</b>
<b>Carrying Value as at March 31, 2020</b>	<b>2,705.44</b>	<b>56.15</b>	<b>546.84</b>	<b>4,051.53</b>	<b>473.23</b>	<b>16.63</b>	<b>237.20</b>	<b>8.49</b>	<b>3.16</b>	<b>0</b>	<b>40.32</b>	<b>8,139.00</b>

## Notes forming part of the Consolidated Financial Statements

**Note: 6** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Investments	Sub note	As at 31.03.2022		As at 31.03.2021	
		No.s	Value	No.s	Value
<b>Equity Instruments (Unquoted - At Cost)</b>					
a) <b>Investment at Fair Value through OCI</b>					
1. <b>Investment in Equity Instruments (Unquoted)</b>					
<b>Mana Effluent Treatment Plant</b>					
(Equity shares of ₹ 1000/-each fully paid up)					
		200	2.00	200	2.00
1. <b>Surana Electrix Limited</b>					
(Equity shares of ₹ 10/-each fully paid up)					
		1,900	0.19	1,900	0.19
<b>TOTAL</b>			2.19		2.19

**Note: 7** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Non current Financial Assets	Sub note	As at 31.03.2022	As at 31.03.2021
Considered good - Unsecured Security Deposits		145.55	139.60
<b>TOTAL</b>		<b>145.54</b>	<b>139.60</b>

Loans due by Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member has been separately stated as follows

**Note: 8** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Inventories	Sub note	As at 31.03.2022	As at 31.03.2021
<b>(As Valued and Certified by the Management)</b>			
Raw Material		6,397.97	4,696.90
Work-in-Progress		4,082.17	3,853.83
<b>TOTAL</b>		<b>10,480.15</b>	<b>8,550.73</b>

**Note: 9** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Trade Receivables	Sub note	As at 31.03.2022	As at 31.03.2021
Considered good – Unsecured*			
Undisputed trade receivables considered good		9,793.66	8,854.14
Undisputed trade receivables -credit impaired		-	-
Less: Allowance for expected credit losses		-	-
<b>TOTAL</b>		<b>9,793.66</b>	<b>8,854.14</b>

### Trade receivables ageing schedule

As at 31.03.2022	Outstanding for following periods from due date of payment as on Balance sheet date					
	Less than 6 mnth	6 months to 1 year	1 to 2 years	2-3 Years	More than 3 years	Total
Undisputed trade receivables considered good	9,633.63	148.60	10.30	1.13	-	9,793.66
Credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit losses	-	-	-	-	-	-
<b>Balance as at year end</b>	<b>9,633.63</b>	<b>148.60</b>	<b>10.30</b>	<b>1.13</b>	<b>-</b>	<b>9,793.66</b>

## Notes forming part of the Consolidated Financial Statements

As at 31.03.2021	Outstanding for following periods from due date of payment as on Balance sheet date					
Particulars	Less than 6 mnth	6 months to 1 year	1 to 2 years	2-3 Years	More than 3 years	Total
Undisputed trade receivables considered good	8,706.49	147.65	-	-	-	8,854.14
Credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit losses	-	-	-	-	-	-
<b>Balance as at year end</b>	<b>8,706.49</b>	<b>147.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,854.14</b>

- a. There are no disputed trade receivables in the current and previous year.
- b. All the Trade Receivables are Unsecured and considered good
- c. Trade receivables are generally with the credit term of 30 to 120 days and are non interest bearing.
- d. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.
- e. The Carrying amount of trade receivables is pledged as security for borrowings. (Refer Note 18)
- f. No Debts due by Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

**Note: 10** ( All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Inventories	Sub note	As at 31.03.2022	As at 31.03.2021
<b>(a) Cash &amp; Cash Equivalents</b>			
(i) Balances in current account		912.25	29.05
(ii) Cash on Hand		1.52	2.76
<b>TOTAL</b>		<b>913.78</b>	<b>31.80.</b>

**Note: 11** ( All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Bank Balance Other than Cash and Cash Equivalent	Sub note	As at 31.03.2022	As at 31.03.2021
Other Balances			
(i) In Dividend account		2.58	5.14
(ii) Deposit held to the extent of margin money		268.98	374.38
(iii) Accrued interest on Fixed of margin money		4.52	5.47
<b>TOTAL</b>		<b>276.09</b>	<b>384.99</b>

Margin Money Deposits with a carrying amount of ₹ 268.98 lacs (PY ₹ 374.38 lacs are lien marked to secure the company's borrowing

**Note: 12** ( All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Current Tax Assets (Net)	Sub note	As at 31.03.2022	As at 31.03.2021
(a) Income tax receivable		688.18	253.28
Less: Provision for Taxes		396.85	105.91
(ii) Cash On Hand		275,540	340,628
(b) Others			
MAT Credit Entitlement		137.27	104.45
<b>TOTAL</b>		<b>428.64</b>	<b>251.82</b>

## Notes forming part of the Consolidated Financial Statements

**Note: 13** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Current Assets	Sub note	As at 31.03.2022	As at 31.03.2021
<b>(Unsecured, Considered Good Unless Otherwise Stated)</b>			
(i) Balances with Statutory Authorities		2,439.36	2,122.72
(ii) Advances To Suppliers		1,710.08	1,338.97
(iii) Loans to Staff		22.96	24.42
(iv) Margin Money for Copper Hedging		1,260.90	424.22
<b>TOTAL</b>		<b>5,433.30</b>	<b>3,910.33</b>

**Note: 14** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Share Capital	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	Number	Rupees	Number	Rupees
<b>Authorised</b>				
Equity Shares of ₹ 2/- each	12,50,00,000	2,500.00	12,50,00,000	2,500.00
<b>Issued</b>				
Equity Shares of ₹ 2/- each	3,19,95,000	639.90	3,19,95,000	639.90
<b>Subscribed &amp; Paid up</b>				
Equity Shares of ₹ 2/- each fully paid	3,19,95,000	639.90	3,19,95,000	639.90
<b>TOTAL</b>	<b>3,19,95,000</b>	<b>639.90</b>	<b>3,19,95,000</b>	<b>639.90</b>

a. Terms/Rights attached to Shareholders

The Company has only one class of issued shares i.e. equity having per value of ₹ 2 per share. Each holder of Equity Shares is entitled to one vote per share and pari passu. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

b. Reconciliation of Equity Shares Outstanding at the Beginning and at the end of the Reporting Period

Share Capital	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	3,19,95,000	639.90	3,19,95,000	639.90
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Changes during the year	-	-	-	-
Shares outstanding at the end of the year	3,19,95,000	639.90	3,19,95,000	639.90

c. Details of shareholders holding more than 5% of issued Share Capital.

Share Capital	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	No of Shares held	% of Holding	No of Shares held	% of Holding
SURANA INFOCOM PRIVATE LIMITED	43,41,581	13.57	43,41,581	13.57
NARENDER SURANA	33,59,814	10.40	33,59,814	10.50
DEVENDRA SURANA	31,34,660	9.80	31,34,660	9.80
MANISH SURANA	32,19,807	10.06	32,19,807	10.06
NAMRATA SURANA	18,70,335	5.85	18,70,335	5.85
GM SURANA	-	0.00	17,10,990	5.35
	<b>1,59,26,197</b>	<b>49.67</b>	<b>1,76,37,187</b>	<b>55.12</b>

Rights, preferences and restriction attached to the Equity Shares the Equity Shares of the Company, having per value of ₹ 2.00 per Share, rank pari passu in all respect including voting rights and entitlement of dividend.

d) Shares Held by promoters at the end of the year

Share Capital	As at 31 <sup>st</sup> March 2022			As at 31 <sup>st</sup> March 2021		
	No of Shares held	% of Holding of total shares	% change during the year	No of Shares held	% of Holding of total shares	% change during the year
G M SURANA (MHUF)	1,78,775	0.56	-	1,78,775	0.56	-
NARENDER SURANA (HUF)	1,06,500	0.33	-	1,06,500	0.33	-
DEVENDRA SURANA (HUF)	67,500	0.21	-	67,500	0.21	-
G M SURANA (HUF)	1,66,380	0.52	-	1,66,380	0.52	-
NAMRATA SURANA	18,70,335	5.85	-	18,70,335	5.85	-

## Notes forming part of the Consolidated Financial Statements

Share Capital	As at 31 <sup>st</sup> March 2022			As at 31 <sup>st</sup> March 2021		
	No of Shares held	% of Holding of total shares	% change during the year	No of Shares held	% of Holding of total shares	% change during the year
DEVENDRA SURANA	31,34,660	9.80	-	31,34,660	9.8	-
SUNITA SURANA	15,51,396	4.85	-	15,51,396	4.85	-
NARENDER SURANA	33,28,466	10.40	(0.10)	33,59,814	10.50	-
VINITA SURANA	7,16,822	2.24	-	7,16,822	2.24	-
MANISH SURANA	32,19,807	10.06	-	32,19,807	10.06	-
NIVRITI SAMKTI JAIN	3,47,500	1.09	-	3,47,500	1.09	-
RAHUL SURANA	14,04,500	4.39	-	14,04,500	4.39	-
SRESHA SURANA	6,70,732	2.10	-	6,70,732	2.1	-
MITALI SURANA	3,00,000	0.94	-	3,00,000	0.94	-
ADVAIT SURANA	10,17,036	3.18	-	10,17,036	3.18	-
BHAGYANAGAR SECURITIES PRIVATE LIMITED	78,957	0.25	-	78,957	0.25	-
SURANA INFOCOM PRIVATE LIMITED	43,41,581	13.57	-	43,41,581	13.57	-
SURANA TELECOM AND POWER LIMITED	11,47,166	3.59	-	11,47,166	3.59	-

The shareholding information has been extracted from the records of the Company including of shareholders/ members and is based on legal ownership of shares.

**Note : 15** ( All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Equity	Sub note	As at 31.03.2022	As at 31.03.2021
<b>General Reserves</b>			
Balance as per Last Account		2,500.00	2,500.00
<b>Add:</b> Transferred from Retained Earnings		-	-
Add: Created on account of discontinuation of Subsidiaries/ Associates		-	-
<b>Balance at the year end</b>		2,500.00	2,500.00
<b>Capital Reserves</b>			
Balance as per Last Account		653.41	653.41
Add: Created on account of acquisition of new subsidiary		-	-
<b>Balance at the year end</b>		653.41	653.41
<b>Capital Redemption Reserve</b>			
Balance as per Last Account		210.20	210.20
<b>Balance at the year end</b>		210.20	210.20
<b>Retained Earnings</b>			
<b>Add:</b> Profit during the year/period		1,108.19	347.78
Amount available for Appropriation		9,747.76	8,639.57
Transfer to General Reserve		-	-
<b>Balance at the year end</b>		9,747.76	8,639.57
<b>TOTAL</b>		<b>13,111.37</b>	<b>12,003.17</b>

**The Description, Nature and Purpose of each reserve with in equity are as follows:**

**General Reserve:** This reserve is the retained earnings of the company, which are kept aside out of the Company's profit to meet future (known or unknown) obligations.

**Retained Earnings:** Retained earnings comprise of net accumulated profit/(loss) of the company, after declaration of dividend.

**Capital Reserve:** Capital Reserve was created on account of merger of various entities with the company.

**Capital Redemption Reserve:** Capital Redemption Reserve was created on account of Buy back of Shares of the Companies.



## Notes forming part of the Consolidated Financial Statements

**Note : 16**

( All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Non Current Liabilities - Borrowings	Sub note	As at 31.03.2022	As at 31.03.2021
<b>Secured (Loans from Banks)</b>			
(a) Car Loan - Kotak Bank		6.87	31.93
(b) Car Loan - Yes Bank		0.85	26.84
(c) Term loan - HDFC Bank		859.67	1,145.45
(d) GECL - HDFC Bank		875.05	372.00
(e) GECL - SBI		441.77	500.00
(f) GECL - HSBC		1,850.00	-
		<b>4,034.21</b>	<b>2,076.22</b>
<b>Less: Current maturities of long term borrowings</b>		599.76	400.43
		<b>3,434.45</b>	<b>1,675.79</b>
<b>Unsecured (Loan repayable on demand from related parties)</b>			
(g) Loan from Body Corporate		1,113.02	1,000.72
(h) Loan from Directors		186.71	593.49
		<b>1,299.73</b>	<b>1,594.21</b>
<b>TOTAL</b>		<b>4,734.19</b>	<b>3,270.00</b>

**16(a) Car Loan - Kotak Bank**

Car Loan from Kotak Bank is availed at an interest rate which fluctuates based on market rate. The Loan is repayable in 60 equal monthly instalments. The loan will be completely repaid in the FY 2022-23.

**16(b) Car Loan - Yes Bank**

Car Loan from Yes Bank is availed at an interest rate which fluctuates based on market rate. The Loan is repayable in 60 equal monthly instalments. The loan will be completely repaid in the FY 2022-23.

**16(c) Term loan - HDFC Bank**

The term loan sanctioned by Kotak bank taken over by HDFC Bank in April, 2020 - ₹ 1461 lacs. The loan is secured by personal guarantee of Directors, Corporate Guarantee of Holding Company and an Exclusive charge on entire Current Assets and Fixed Assets of the Company. It is also Secured by certain Fixed assets of the Holding Company. The Principal is repayable in 57 Monthly Instalments ending in November, 2024 at interest rate which fluctuates based on market rate. The principal repayable during FY 2022-23 amounting to ₹ 308.24 lacs is classified under Current Maturities of Long Term Debt-Note:16

**16(d) Guaranteed Emergency Credit Line ( GECL-WCTL) - HDFC Bank**

Capital Term Loan (WCTL) in the month of November, 2020. There is a principal Moratorium of 12 Months and the Principal repayment starts in the Month of December, 2021 at an interest rate which fluctuates based on market rate. The Principal repayable during FY 2022-23 amounting to ₹ 117.12 lacs is classified under Current Maturities of Long Term Debt-Note:18

Guaranteed Emergency Credit Line (GECL) Extension of ₹ 540 lacs is sanctioned by HDFC Bank by way of Working Capital Term Loan (WCTL) in the month of January, 2022. There is a principal Moratorium of 24 months and the principal repayment starts in the month of January, 2024. The Loan is repayable in 36 equal Monthly instalments starting from January, 2024 at an interest rate which fluctuates based on market rate.

**16(e) Guaranteed Emergency Credit Line - State Bank of India**

Guaranteed Emergency Credit Line (GECL) of ₹ 500 lacs is sanctioned by State Bank of India by way of Working Capital Term Loan (WCTL) in the month of January, 2021 at an interest rate which fluctuates based on market rate. There is a Principal Moratorium of 12 Months and the Principal repayment started in the month of January, 2022. The Loan is repayable in 36 equal Monthly instalments of ₹ 13.88 lacs. The Principal repayable during FY 2022-23 amounting to ₹ 166.67 lacs is classified under Current Maturities of Long Term Debt Note:18.

## Notes forming part of the Consolidated Financial Statements

### 16(f) Guaranteed Emergency Credit Line - HSBC

Guaranteed Emergency Credit Line (GECL) of ₹1850 lacs is sanctioned by HSBC by way of Working Capital Term Loan(WCTL) in the month of December,2021 at an interest rate which fluctuates based on market rate. There is a Principal Moratorium of 24 Months, The Loan is repayable in 48 EMI's post Moratorium and the Principal repayment starts in the Month of December,2023.

### 16(g) Loan from Related Party

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Name of the company	Balance as on 31.03.2022	Balance as on 31.03.2021
Surana Infocom Pvt LTD	-	332.74
Surana Telecom and Power Ltd	1113.01	667.97
Total	1113.01	1000.72
*Unsecured Loan carries rate of Interest @ 10% p.a		
*There is no specific repayment schedule of Unsecured Loan taken		

### 16(h) Loan from Director

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Name of the Director	Balance as on 31.03.2022	Balance as on 31.03.2021
Devendra Surana	186.71	593.48
<b>Total</b>	<b>186.71</b>	<b>593.48</b>

#### Note: 17

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Deferred Tax Liability (Net)	Sub note	As at 31.03.2022	As at 31.03.2021
(a) Deferred Tax Liability at the beginning of the year		67.52	54.12
		-67.52	13.40
Less: Deferred Tax Liability for the year, on account of timing difference.			
<b>TOTAL</b>		<b>-</b>	<b>67.52</b>

#### Note: 18

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Current - Borrowing	Sub note	As at 31.03.2022	As at 31.03.2021
<b>Secured</b>			
<b>Working Capital Facilities from Banks</b>			
- Working Capital Demand Loan		4,050.00	3,640.00
- Cash Credit		1,641.94	5,583.36
- Buyers Credit		907.67	1,176.31
- Foreign Currency Demand Loan		3,500.00	1,381.09
- Export Packaging Credit		2,488.77	-
		<b>12,588.38</b>	<b>11,780.76</b>
<b>Current Maturities on Long Term Debt</b>			
(a) Term Loan - HDFC Bank		308.25	282.76
(b) Guaranteed Emergency Credit Line - HDFC Bank		117.12	36.97
(c) Car Loan - Kotak Bank		6.87	26.69
(d) Car Loan - Yes Bank		166.67	41.67
		<b>599.76</b>	<b>400.43</b>
<b>TOTAL</b>		<b>13,188.13</b>	<b>12,181.19</b>

#### Particulars of Nature of Security

Foreign Currency Demand Loan and Working capital Demand loan is carved out of cash credit limits and secured by first charge on entire current assets of the company on pari passu basis with other banks along with immovable properties forming part of Fixed Assets of the Company and personal guarantee of the Managing Directors. It is repayable on demand.

## Notes forming part of the Consolidated Financial Statements

### Foreign Currency Demand Loan -mention detail as above

The Company has taken loans against security of current assets and quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

**Note: 19** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Trade Payables	Sub note	Balance as on 31.03.2022	Balance as on 31.03.2021
<b>Unsecured</b>			
- Total Outstanding dues of Micro and Small Enterprises		-	-
- Total Outstanding dues of Creditors Other than Micro and Small Enterprises		2,039.82	809.73
Outstanding dues to related parties	19(a)	579.27	836.94
<b>TOTAL</b>		<b>2,619.09</b>	<b>1,646.67</b>

### Trade payable ageing schedule

As at March 31, 2022	Outstanding for following periods from due date of payment				
Undisputed Outstanding Dues	> 1 year	1-2 year	2-3 year	< 3 Year	Total
- Total Outstanding dues of Micro and Small Enterprises	-	-	-	-	-
- Total Outstanding dues of Creditors Other than Micro and Small Enterprises	2,515.49	91.97	11.63	-	2,619.09

As at March 31, 2021	Outstanding for following periods from due date of payment				
Undisputed Outstanding Dues	> 1 year	1-2 year	2-3 year	< 3 Year	Total
- Total Outstanding dues of Micro and Small Enterprises					-
- Total Outstanding dues of Creditors Other than Micro and Small Enterprises	1,646.67	-	0.39	-	1,646.67

- a. All the Trade payable are Unsecured
- b. There are no disputed trade payables in the current and previous year.
- c. **Terms and conditions of the above financial liabilities:**  
Trade payables are non-interest bearing and are normally settled on 30-120 day terms.  
For explanations on the Company's credit risk management processes, refer to note 44.
- c. No Debts due to Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member except as mentioned below

### Notes:

19(a)	Payable to Related Party	Balance as on 31.03.2022	Balance as on 31.03.2021
	<b>Name of the company</b>		
	Surana Solar Limited	282.99	671.82
	Surana Solar Systems Pvt Limited	296.28	165.12
	<b>Total</b>	<b>579.27</b>	<b>836.94</b>

**Note: 20** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Financial Liabilities	Sub note	As at 31.03.2022	As at 31.03.2021
(c) Unclaimed Dividends		2.58	5.14
(d) Security Deposits		29.20	20.47
<b>TOTAL</b>		<b>31.78</b>	<b>25.62</b>

## Notes forming part of the Consolidated Financial Statements

**Note: 21** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Current Liabilities	Sub note	As at 31.03.2022	As at 31.03.2021
(c) Advance from Customers		638.86	256.96
Statutory Dues Payable		51.15	42.93
<b>TOTAL</b>		<b>690.01</b>	<b>299.89</b>

**Note: 22** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Provisions	Sub note	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits-Bonus		13.00	13.00
Liability For Expense		112.77	59.31
<b>TOTAL</b>		<b>125.77</b>	<b>72.31</b>

**Note: 23** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Revenue from Operations	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
(a) Sale of Products			
Copper Products		1,80,901.25	91,853.17
Sale of Wind Power		450.36	477.57
<b>SUB - TOTAL</b>		<b>1,81,351.61</b>	<b>92,330.74</b>
Less: Inter-Unit Sales		-	185.24
<b>GROSS SALES</b>		<b>1,81,351.61</b>	<b>92,145.49</b>
Less: Sales Tax/ GST		24,113.52	13,531.38
<b>NET SALES</b>		<b>1,57,238.08</b>	<b>78,614.11</b>
(b) Infrastructure Leasing		125.38	122.29
<b>TOTAL</b>		<b>1,57,363.46</b>	<b>78,736.40</b>

**Note: 24** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Income	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
(a) Interest Income			
Interest on Loans, Deposits and Others		21.72	22.09
(c) Profit on Sale of Sundry Assets		42.91	0.03
(f) Miscellaneous Income		1.22	2.53
(h) Balances no Longer Payable Written Back		11.65	5.15
<b>TOTAL</b>		<b>77.50</b>	<b>29.80</b>

**Note: 25** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Cost of Raw Materials and Components Consumed	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Opening Stock Raw Materials		4,696.90	4,551.25
Add: Purchases net of Modvat		1,50,171.12	75,066.40
Less: Closing Stock Raw Material		6,397.97	4,696.90
Less: Inter-Unit Purchases		-	185.24
<b>TOTAL</b>		<b>1,48,470.05</b>	<b>74,735.51</b>

**Note: 26** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

(Increase)/Decrease in Inventories	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Opening Stock WIP		3,853.83	1,141.89
Less: Closing Stock WIP		4,082.17	3,858.83
<b>TOTAL</b>		<b>(228.35)</b>	<b>(2,711.93)</b>

## Notes forming part of the Consolidated Financial Statements

**Note: 27** ( All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Employee Benefits Expense	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Salaries, Wages and Other Employee Benefits		786.05	670.70
Contribution To Provident And Other Funds		90.20	66.91
<b>TOTAL</b>		<b>876.25</b>	<b>737.61</b>

**Note: 28** ( All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Finance Costs	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Interest Expense			
Cash Credit & Others		776.39	571.93
Long Term Loan		326.72	193.69
Financial Charges		79.62	66.16
<b>TOTAL</b>		<b>1,182.74</b>	<b>831.78</b>

**Note: 29** ( All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Depreciation and Amortisation Expenses	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Depreciation		568.86	549.98
Amortisation Expenses - Lease Rent		3.60	3.60
<b>TOTAL</b>		<b>572.46</b>	<b>553.58</b>

**Note: 30** ( All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Expenses	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Consumption Of Stores And Spare Parts		444.49	594.96
Processing & Conversion Charges		123.89	5.98
Power And Fuel		2,483.64	1,661.65
Rent		26.67	26.22
Repairs & Maintenance			
Buildings		45.17	53.79
Machinery		918.02	862.85
Others		68.74	39.97
Insurance		71.19	51.74
Rates And Taxes		31.25	11.97
Packing And Forwarding		487.63	300.42
Remuneration To Directors		108.00	108.00
Advertisement And Sales Promotion		34.81	28.42
Travelling & Conveyance		37.42	35.95
Corporate Social Responsibility Expense		13.11	11.51
Other Miscellaneous Expenses		323.00	295.75
Director's Sitting Fees		2.88	2.84
Payments To The Auditor		-	-
for Statutory Audit		4.60	4.10
for Tax Audit		0.70	0.70
for Taxation/Other Matters		0.70	0.70
for Reimbursement Of Expenses		0.40	0.40
<b>TOTAL</b>		<b>5,226.30</b>	<b>4,097.92</b>

## Notes forming part of the Consolidated Financial Statements

Other Miscellaneous Expenses	Sub note	For the Year 31.03.2022	For the Year 31.03.2021
Post. Tel & Telephone		10.50	10.42
Legal & Licence Fees		11.58	7.51
Commission On Sales/Purchases		60.57	22.05
Professional Charges		37.83	56.62
Sundry Balances Written Off		17.59	30.09
Agm & Board Expenses		0.16	0.08
Water Charges		16.89	19.34
Office Maintenance		11.48	17.02
Testing Charges		0.40	1.94
Watch & Ward		110.81	101.96
Books & Periodicals		0.14	0.16
Donation		0.78	5.50
Weightment Charges		2.87	1.80
Listing Fees		5.40	5.40
Membership & Subscription		17.67	5.77
Other. Expenses		5.33	3.94
Printing & Stationery		6.76	5.85
Software Development Charges		5.87	-
Filing Fees		0.38	0.30
<b>TOTAL</b>		<b>323.00</b>	<b>295.45</b>

### 31. Related Party Disclosure:

#### List of Related Parties:

I. **Subsidiary Company (wholly owned):** Bhagyanagar Copper Private Limited

#### II. Key Managerial Personnel:

- (i) Narender Surana (Managing Director)
- (ii) Devendra Surana (Managing Director)
- (iii) N C Bhardwaj (Whole Time Director upto 23.06.2020)
- (iv) Surendra Bhutoria (CFO)
- (v) Srinivas Dudam (CS)
- (vi) Rakesh Kumar Agarwal (whole time Director)

#### III. Enterprises owned or significantly influenced by key management personnel or their relatives:

- (i) Surana Telecom and Power Limited
- (ii) Surana Solar Limited
- (iii) Surana Infocom Private Limited
- (iv) Surana Infotech Private Limited
- (v) Surana Solar Systems Private Limited
- (vi) Tejas India Solar Private Limited

#### IV. Relatives of Key Managerial Personnel

- (i) Namrata Surana
- (ii) Nivriti Sanket Jain

## Notes forming part of the Consolidated Financial Statements

### Transactions with Related parties:

#### A. List of Transactions Occurred during the year are as follows

Figures in ₹

Related Party	Nature of transaction	2021-22	2020-21
Surana Solar Limited	Purchase Of SPV Modules	-	17.01
Surana Solar Limited	Purchase of copper scrap	1235.14	667.41
Surana Solar Limited	Sale of Aluminum Scrap	0.54	-
Surana Solar System private Limited	Purchase of Solar power	131.15	186.46
Surana Electxis Private Limited	Investment in Shares	-	0.19
Surana Telecom & Power Limited	Purchase of modules	-	3.36
Surana Infocom Private Limited	Interest Expense	7.40	26.83
Surana Infocom Private Limited	Interest Expense	112.93	25.64
Devendra Surana	Interest Expense	24.71	16.24
Tejas India Solar Private Limited	Purchase of Solar Modules	15.68	102.02
Rakesh Agarwal	Remuneration - WTO	26.45	-
Devendra Surana	Remuneration - MD	108.00	108.00
Surendra Bhutoria	Remuneration - CFO	22.26	20.94
N C Bhardwaj	Remuneration - WTD	15.57	13.77
N.K. Reddy	Remuneration - WTD	-	0.97
Namrata Surana	Remuneration	18.00	18.00
Nivriti Sanket jain	Remuneration	15.10	10.45
Srinivas Dudam	Remueration - CS	8.88	-
Subhojeet Bhattacharjee	Remueration - CS	1.53	4.63

#### B. List of Transactions Occurred during the year are as follows:

Balance Outstanding	Nature of transaction	2021-20	2020-21
Surana Solar Limited	Trade Payable	282.99	671.82
Surana Solar System private Limited	Trade Payable	296.28	165.12

#### C. Details of Loan Taken and repaid with the related parties during the year:

Surana Telecom & Power Limited	Opening Balance	667.97	721.26
	Add: Loan Taken*	2522.13	690.29
	Less: Loan Repaid*	2077.13	743.58
	Closing Balance	1113.01	667.97
Surana Infocom Private Limited	Opening Balance	332.60	382.94
	Add: Loan Taken*	335.66	285.85
	Less: Loan Repaid*	668.26	336.00
	Closing Balance	-	332.74
Devendra Surana	Opening Balance	593.49	-
	Add: Loan Taken*	528.91	14.34
	Less: Loan Repaid*	935.69	840.08
	Closing Balance	186.71	593.49

(\*) The above transactions are aggregate of multiple transactions entered with the parties during the year.

## Notes forming part of the Consolidated Financial Statements

32. Disclosure pursuant to Securities Exchange Board Of India (Listing Obligation and Disclosure Requirement and Regulation 2015) and Section 186 of the Companies Act 2013 is disclosed in note no.32
33. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

### 34. Earnings Per Share (EPS)

Figures in ₹

Particulars	2021-22	2020-21
Net Profit after Tax	1108.19	347.78-
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	1108.19	347.78
Weighted Average No. Of Equity Shares For Basic EPS (No.s)	3,19,95,000	347.78
Weighted Average No. Of Equity Shares For Diluted EPS (No.s)	3,19,95,000	3,19,95,000
Nominal Value of Equity Shares	2/-	2/-
Basic Earnings Per Equity Share	3.46	1.09
Diluted Earnings Per Equity Share	3.46	1.09

### 35. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at 31-03-2022	As at 31-03-2021
Contingent Liabilities	184.78	190.02
Commitments:		
Guarantees issued by banks	645	229.00
Corporate Guarantee given for Wholly-Owned Subsidiary – BCPL	6859.74	3696.21

Note: TSSPDCL has raised a demand of ₹ 154.65 Lacs for previous years when the company was not under the control of current management. The demand is being countered and has been stayed by the Honorable High Court of Telangana.

### 36. Foreign Currency Exposure:

Particulars	As at 31-03-2022	As at 31-03-2021
	USD	USD
Hedged	46.21	-
Unhedged	-	12.55

### 37. Retirement and Other Employees Benefits

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.

Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss account in the year in which they accrue.

Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done. The gratuity liability and the net periodic gratuity cost is actually determined after considering discounting rates, expected long term return on plan assets and increase in compensation level. All actuarial gain/ losses are immediately charged to the Profit & Loss account and are not deferred.

The following table summarizes the components of Net Benefit expenses recognized in the Profit & Loss account and amount recognized in the Balance Sheet for the respective plans.

#### A Expenses recognised in the Profit & Loss Account

Particulars	Gratuity	
	2021-22	2021-21
Current service cost	9.87	8.04
Interest cost	12.21	11.09
Expected Return on Planned Assets	6.59	(53.71)
Net Actuarial Loss/ (Gain) recognized in the year	(15.27)	(3.13)
Expenses recognised in Statement of Profit & Loss	<b>0.22</b>	<b>69.71</b>



## Notes forming part of the Consolidated Financial Statements

### B Change in Present value of obligation during the year ended 31<sup>st</sup> March, 2022

Particulars	Gratuity	
	2021-22	2020-21
Present Value of obligation as at beginning of the year	174.43	158.43
Interest Cost	12.21	11.09
Current Service Cost	9.87	80
Benefits Paid-Actuals	(6.87)	-
Actuarial (Gain)/ Loss on Obligations	(15.27)	(3.31)
<b>Present Value of obligation as at end of the year</b>	<b>174.37</b>	<b>174.43</b>

### C Change in fair value of Plan Assets during the year ended 31<sup>st</sup> March, 2022

Particulars	Gratuity	
	2021-22	2020-21
Fair value of Plan Assets as at the beginning of the year	98.21	151.9
Expected Return on Plan Assets	6.60	(53.70)
Contributions	12.01	-
Benefits Paid	(6.87)	-
<b>Fair value of Plan Assets as at the end of the year</b>	<b>109.95</b>	<b>98.21</b>

### D Actuarial Gain/ loss recognized

Particulars	Gratuity	
	2021-22	2020-21
Actuarial (Gain) / Loss for the year –Obligation	15.27	3.13
Total Loss for the Year	15.27	3.13
Actuarial (Gain) / Loss recognized in the year	15.27	3.13

### E Actuarial assumption

Particulars	Gratuity	
	2021-22	2020-21
Discount rate used	7.00%	7.25%
Salary escalation	6%	6%

### 38. Sales During the year:

Sl. No.	Particulars	2021-22		2020-21	
		Qty(MTs)	Amount (₹)	Qty(MTs)	Amount (₹)
i	Copper	21764.886	176916.42	16090.82	90105.61
ii	By-Products		3458.33		1377.27
ii	Wind Power		450.35		477.56
iii	Job Work Charges		526.50		370.29
	<b>TOTAL</b>	<b>21764.886</b>	<b>181351.60</b>	<b>160902.82</b>	<b>92330.73</b>

### 39. Raw material consumed during the year

Figures in ₹ in lakhs

Sl.No.	Particulars	2021-22	2020-21
I	Copper	146170.28	77549.73
li	Others	2071.42	896.11
lii	<b>Inter Unit Transfers</b>		
	(a) Copper	-	185.24
	(b) Others	-	-
	<b>SUB-TOTAL</b>	<b>148241.70</b>	<b>78631.08</b>
	Less: Inter Unit Purchases	-	185.24
	<b>TOTAL</b>	<b>148241.70</b>	<b>78445.84</b>

**Note:** Material which are included in others do not individually exceed 10 % of consumption.

## Notes forming part of the Consolidated Financial Statements

### 40. Earnings in Foreign Currency

Figures in ₹ in lakhs

Particulars	2021-22	2020-21
Export Sales	39272.30	12072.53
<b>TOTAL</b>	<b>39272.30</b>	<b>12072.53</b>

### 41. CIF Value of Imports

Figures in ₹ in lakhs

Particulars	2021-22	2020-21
Raw Material / Traded Goods	48909.14	20161.75
Store & Spares	566.72	220.20
<b>TOTAL</b>	<b>49475.86</b>	<b>20381.95</b>

### 42. Details of imported and indigenous raw materials, spares and packing materials consumed

Figures in ₹

Particulars	2021-22		2020-21	
	Value	% of Total Consumption	Value	% of Total Consumption
<b>Raw materials &amp; Components</b>				
(a) Imported	48909.14	33.00	20161.75	25.70
(b) Indigenous	99332.56	67.00	58284.07	74.30
<b>TOTAL</b>	<b>148241.70</b>	<b>100</b>	<b>78445.84</b>	<b>100</b>
<b>Stores &amp; Spare Parts (including consumed for repair)</b>				
(a) Imported	566.76	27.79	220.20	24.66
(b) Indigenous	1472.88	72.71	672.87	75.44
<b>TOTAL</b>	<b>2039.6</b>	<b>100</b>	<b>893.07</b>	<b>100</b>

### 43. Segment Reporting:

#### Factors used to identify the reportable segments:

The Company has following business segments, which are its reportable segments. These segments offer different products and services, and are managed separately because they require different technology and production processes. Operating segment disclosures are consistent with the information:

SI No.	Reportable segments	Product/Service
1.	Manufacturing of Copper Products	Copper Products
2.	Wind Power	Generation of Wind Power Energy

Figures in ₹ in lakhs

Particulars	Copper Products		Renewable Energy		Total	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>REVENUE</b>						
External Sales	156791.69	78154.81	446.40	477.57	157238.09	78632.38
Other Operating income	-	-			125.38	104.02
<b>Total Revenue</b>	<b>156791.69</b>	<b>78154.81</b>	<b>446.40</b>	<b>477.57</b>	<b>157363.46</b>	<b>78736.40</b>
<b>RESULTS</b>						
Segment results	2850.57	1606.49	57.93	87.69	2908.5	1694.18
Unallocable income/ Expenses					(513.66)	(444.31)
Operating Profit					129.42	103.65
Interest Expenses					1182.74	831.78
Profit from Ordinary Activities					1341.52	521.74
<b>Net Profit</b>					<b>1341.52</b>	<b>521.74</b>
<b>Other Information</b>						
Segment Assets	31881.56	26635.76	1172.03	1481.21	33053.59	28116.97
Unallocable Assets					2086.65	2021.79

## Notes forming part of the Consolidated Financial Statements

Figures in ₹ in lakhs

Particulars	Copper Products		Renewable Energy		Total	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>Total Assets</b>					<b>35140.24</b>	<b>30138.76</b>
Segment Liabilities	21343.22	14139.31	29.11	43.05	21372.33	14182.36
Unallocable Liabilities					16.64	43.33
<b>Total Liabilities</b>					<b>21388.97</b>	<b>14225.69</b>
<b>Capital Expenditure</b>	159.77	495.46	-	-	159.77	495.46
<b>Unallocable Capital Expenditure</b>	-	-	-	-	-	-
<b>Total Capital Expenditure</b>					<b>159.77</b>	<b>495.46</b>
<b>Depreciation</b>	279.10	270.87	236.52	236.52	515.62	507.39
<b>Unallocable Depreciation</b>					56.84	46.19
<b>Total Depreciation</b>					<b>572.46</b>	<b>553.58</b>

#### 44. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

##### A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

##### Hedging Policy

Copper sales price & purchase price are both based on LME and any variation in price is only pass through. We carry a risk of price fluctuation on inventory/ inventory in pipeline. 70% to 80% inventory is hedged by way of short position on LME/MCX. Therefore, the Company is relatively insulated against the price fluctuation risk.

##### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument 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 debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps

Figures in ₹ in lakhs

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
<b>31-Mar-22</b>					
<b>Borrowings</b>	-	13188.18	4425.86	-	17922.37
<b>31-Mar-21</b>					
<b>Borrowings</b>	-	12181.19	3270.00	-	15451.20

#### 45. Trade receivables

The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower

## Notes forming part of the Consolidated Financial Statements

- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Company and changes in the operating results of the borrower

Based on the above analysis, the Company does not expect any credit risk from its trade receivables for any of the years reported in this financial statements.

### 46. Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2021 and 2020 is the carrying amounts.

### 47. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Figures in ₹ in laksh

Particulars	31-Mar-22	31-Mar-21
Borrowings (Long term and Short term including Current maturity of Long term Borrowings)	17922.37	15451.19
Other Payable (current and non-current, excluding current maturity of long term borrowings)	3466.70	2049.23
Less Cash and Cash Equivalents	1189.87	416.80
Net Debt	20199.20	17083.62
Equity Share capital	639.90	639.90
Other Equity	13111.82	12003.17
Total Capital	13751.72	12643.07
Capital and Net debt	33950.92	29726.70
Gearing ratio (in %)	59.49	57.47

### 48. Ratio analysis and its elements.

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Reason for variance
<b>Current Ratio</b>	Current Assets	Current Liabilities	1.64	1.55	617	-
<b>Debt-Equity Ratio</b>	Long Term Debt	Shareholder's Equity	0.34	0.26	33.11	Not (a)
<b>Debt Service Coverage Ratio</b>	Earning for debt service = Net profit before taxes + non-cash operating expenses + Finance Cost	Debt service = Interest & lease payments + principal repayments	1.74	1.55	12.25	-
<b>Return on Equity ratio %</b>	Net profit after taxes	shareholder's equity	8.06	2.75	192.97	Note(b)
<b>Inventory Turnover Cycle (no. of days)</b>	Cost of goods sold or sales	Average inventory	24	40	(38.72)	Note(c)
<b>Trade receivables turnover cycle (no of days)</b>	Trade Receivables	Gross Sales	20	35	(43.80)	Note(d)
<b>Trade payables turnover Cycle(No of days)</b>	Trade Payables	Net Purchases	6	8	(20.49)	-
<b>Net Capital Turnover Ratio</b>	Net sales = Total sales - sales return	Working Capital Current assets Current liabilities	14.74	10.13	45.42	Note(e)
<b>Net Profit Ratio(%)</b>	Net profit after taxes	Net Sales = Total sales - Sales return	0.70	0.44	59.32	Note(f)
<b>Return on capital employed(%)</b>	Earnings before interest Depreciation and taxes	Capital employed = Total Assets - Current liabilities	16.75	11.93	40.38	Note (g)

## Notes forming part of the Consolidated Financial Statements

Notes:

- a) Change in the ratio is due to increase in borrowing due to scaling up of operation
- b) Change in the ratio is due to increase in net profit because of revenue growth
- c) Transit period inventory has come down due to lower imports resulting into reduction of overall inventory holding period.
- d) Prudent Credit policy and year end realization has brought down the receivable cycle which otherwise is between 30 to 40 days.
- e) Change in the ratio is due to increase in Turnover and no proportionate increase in working Capital.
- f) Change in the ratio is due to increase in net profit because of revenue growth.
- g) Change in the ratio is due to increase in EBIT because of revenue growth.

### 49. Other Statutory Information

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- d) The Company has not advanced or loaned or invested funds to any other person or entutym including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - ii) Provide any gurantee, security or the like to or an behalf of the Ultimate Beneficiaries.
- e) The Company has not received any fund from any person or entity, including foreign entites (Funding Party) with understanding (whether recoreded in writing or otherwise) that the Company shall:
  - i) directly or indirectly lend or invest in othe persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - ii) provide any gurantee, security or the like on behalf of the Ultimate Beneficiaries,
- f) The Company did not have any such transaction which is not recoreded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- g) The Company does not have any transactions with compaines struck off.

The Compnay has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- 50. Previous year's figures have been regrouped and rearranged, wherever found necessary.

**As per our report of even date attached  
For Luharuka & Associates**

Chartered Accountants,

**Rameshchand Jain**

Partner

M. No. 023019

Firm Reg No.01882S

Place: Secunderabad,

Date : May 28, 2022

**For and on behalf of the BOD of Bhagyanagar India Limited**

**Narender Surana**

Managing Director

DIN: 00075086

**Surendra Bhutoria**

Chief Financial Officer

**Devendra Surana**

Managing Director

DIN: 00077296

**Srinivas Dudam**

Company Secretary

M.No: A23425

## 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**

1	Name of the Subsidiary	<b>Bhagyanagar Copper Pvt Limited (Earlier known as Aanvik Mecantile Private Limited)</b>
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding Company
4	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N/A
5	Share Capital	2,000
6	Reserves & Surplus	885
7	Total Assets	12,731
8	Total Liabilities	9,845
9	Investments	-
10	Turnover	54,507
11	Profit before taxation	671
12	Provision for taxation	-
13	Profit after taxation	671
14	Proposed Dividend	-
15	% of shareholding	100.00%

**As per our report of even date attached**  
**For Luharuka & Associates**  
Chartered Accountants,

**For and on behalf of the BOD of Bhagyanagar India Limited**

**Rameshchand Jain**  
Partner  
M. No. 023019  
Firm Reg No.01882S

**Narender Surana**  
Managing Director  
DIN: 00075086

**Devendra Surana**  
Managing Director  
DIN: 00077296

Place: Secunderabad,  
Date: May 28, 2022

**Surendra Bhutoria**  
Chief Financial Officer

**Srinivas Dudam**  
Company Secretary  
Membership No. A23425





**BHAGYANAGAR COPPER PRIVATE LIMITED**  
(Formerly Aanvik Mercantile Private Limited)

**FINANCIAL STATEMENTS**  
**2021-22**





## INDEPENDENT AUDITOR'S REPORT

TO

**THE MEMBERS OF BHAGYANAGAR COPPER PRIVATE LIMITED**

**(EARLIER 'AANVIK MERCANTILE PRIVATE LIMITED')**

**Report on the Audit of Financial Statements**

### Opinion

We have audited the accompanying financial statements of **BHAGYANAGAR COPPER PRIVATE LIMITED (EARLIER 'AANVIK MERCANTILE PRIVATE LIMITED')** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of change in Equity for the year then ended and notes to the financial statements, including the summary of the significant accounting policies and other explanatory information (hereinafter referred 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its *profit*, total comprehensive income (comprising of profit and other comprehensive income) its cash flows and changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our Audit of the Financial Statements under the provision of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Key Audit Matters

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

We have determined the matters below to be the key audit matters to be communicated in our report.

We have determined that there are no other key matters to communicate in our reports.

### Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rule, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related

to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of Financial Statements.**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

- 1) As required by the Companies (Auditor's Report) Order, 2022 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" statement on the matters Specified in paragraphs 3 and 4 of the Order.
- 2) As required by section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement

and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
- e. On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company 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.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company does not have any pending litigations which would impact its financial position.
  - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.
  - (iv) a) The Management of the company have represented to us, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from the borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the

Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries;

- b) The Management of the Company have represented to us, to the best of the knowledge and belief, no funds have been received by the company from any person or entity, including foreign entity ("Funding parties") with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner what's the whatsoever by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company, nothing has come to our notice that has caused us to believe that the representations are under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

**For Luharuka & Associates**  
Chartered Accountants  
Firm Reg No: - 01882S

**Rameshchand Jain**  
(Partner)  
Membership No.023019  
**UDIN:22023019AJUCOL2964**

Place: Secunderabad  
Date: 27<sup>th</sup> May, 2022



## ANNEXURE “A “TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of BHAGYANAGAR COPPER PRIVATE LIMITED (EARLIER ‘AANVIK MERCANTILE PRIVATE LIMITED’) of even date)

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to Financial Statements of **BHAGYANAGAR COPPER PRIVATE LIMITED (EARLIER ‘AANVIK MERCANTILE PRIVATE LIMITED’)** (“the Company”) as of 31 March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to financial statements.

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, 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 31 March 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Luharuka & Associates  
Chartered Accountants  
Firm Reg No: - 01882S

Rameshchand Jain  
(Partner)

Place: Secunderabad  
Date: 27<sup>th</sup> May, 2022

Membership No.023019  
UDIN: 22023019AJUCOL2964

## ‘ANNEXURE ‘B’

**(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members BHAGYANAGAR COPPER PRIVATE LIMITED (EARLIER ‘AANVIK MERCANTILE PRIVATE LIMITED’) of even date)**

To the best of our information and according to the explanations provided to us by the company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of the company's Property, Plant and Equipment and intangible assets-
- a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i) (a) (B) of the Order is not applicable to the Company.
- b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals. According to the information and explanation given to us by the management, no material discrepancies have been noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in Property, Plant and Equipment are held in the name of company.
- d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year ended March 31, 2022.
- a) As explained to us, there are no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As explained to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such verification.
- (b) As disclosed in *note* to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company does not have any working capital limits sanctioned from financial institutions.
- (iii) During the year, the Company has not made any investments, not provided any loans, advances in the nature of loans, stood guarantee or provided security to any companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) of the Order to such extent is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no investments, loan, guarantees and securities given in respect of which the provisions of section 185 and 186 of the Act, are applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3 (v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the company prescribed by the Central Government of India under section 148(1) of the Act and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have, however , not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us and based on the records of the company examined by us, in respect of statutory dues:
- (a) the company is generally regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other statutory dues, as applicable, with the appropriate authorities in India;
- (b) there are no dues of Income Tax, goods and service tax, provident fund, employees' state insurance, customs duty , cess and any other statutory dues which have not been deposited on account of any disputes.
- (viii) According to the records of the company examined by us and as per the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered

or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) (a) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any financial institution or banks or lender.
- (b) According to the records of the company examined by us and as per the information and explanations given to us, The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the company examined by us and as per the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- (d) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.
- (f) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix) (f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the company, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year under audit and hence reporting under clause 3(x) (b) of the Order is not applicable.
- (xi) (a) According to the information and explanations 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
- (b) According to the information and explanations given to us, during the year and upto the date of this audit report, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the secretarial auditor or by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, during the year there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties, are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) According to the information and explanations given to us and based on our examination of the records of the company, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company.

- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- (xvii) In our opinion, there is no cash loss in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us and based on our examination of the records of the company, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII to the companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. Accordingly reporting under clause 3(xx) (a) and (b) of the Order is not applicable.

**For Luharuka & Associates**  
Chartered Accountants  
Firm Reg No: - 01882S

**Rameshchand Jain**  
(Partner)  
Membership No.023019  
**UDIN:** 22023019AJUCOL2964

Place: Secunderabad  
Date : 27<sup>th</sup> May 2022



## BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2022

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

PARTICULARS	Note No.	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>ASSETS</b>			
<b>NON- CURRENT ASSETS</b>			
(i) Property, Plant and equipment	5	3,854.66	3,912.23
(ii) Financial Assets			
- Other Non Current Financial Assets	6	47.49	41.54
<b>CURRENT ASSETS</b>			
(i) Inventories (Valued at lower of Cost and Net Realisable value)	7	2,157.60	1,480.42
(ii) Financial Assets			
a -Trade Receivables	8	2,445.88	3,142.61
b -Cash and Cash Equivalents	9	909.50	4.32
c -Bank Balance other than Cash and Cash Equivalents	10	146.88	152.92
(iii) Current Tax Assets (net)	11	157.14	25.24
(iv) Other Current Asset	12	3,011.70	2,590.36
<b>TOTAL ASSETS</b>		<b>12,730.83</b>	<b>11,349.67</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(i) Equity Share Capital	13	2,000.00	2,000.00
(ii) Other Equity	14	885.42	214.20
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(i) Financial Liabilities			
-Borrowings	15	3,650.61	5,704.55
<b>CURRENT LIABILITIES</b>			
(i) Financial Liabilities			
a Borrowings	16	5,230.83	2,498.47
b Trade Payables			
For Goods & Services			
- Total Outstanding dues of Micro and Small Enterprises		-	-
- Total Outstanding dues of Creditors Other than Micro and Small Enterprises	17	490.02	837.83
(ii) Current Tax Liabilities	18	-	4.73
(iii) Other Current Liabilities	19	418.66	60.30
(iv) Short Term Provisions	20	55.29	29.59
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,730.83</b>	<b>11,349.67</b>

Summary of significant accounting policies

1 to 4

See accompanying notes to the standalone financial statements

27 to 42

**As per our report of even date attached**

**For Luharuka & Associates**

Chartered Accountants,

**For and on behalf of the BOD of  
Bhagyanagar Copper Private Limited**

**Rameshchand Jain**

Partner

M. No. 023019

**Narender Surana**

Director

DIN: 00075086

**Devendra Surana**

Director

DIN: 00077296

Place: Secunderabad,

Date : 27.05.2022

**Surendra Bhutoria**  
Chief Financial Officer

**Srinivas Dudam**  
Company Secretary  
M.No. A23425

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

PARTICULARS	Note No.	For the Year ended 31.03.2021	For the Year ended 31.03.2020
<b>I. REVENUE FROM OPERATIONS</b>	21	54,507.44	34,803.78
<b>II. OTHER INCOME</b>	22	12.71	3.93
<b>III. TOTAL REVENUE</b>		<b>54,520.16</b>	<b>34,807.71</b>
<b>IV. EXPENSES</b>			
Cost of Raw Materials and Components Consumed	23	50,248.81	31,766.40
Employee Benefit Expenses	24	329.90	292.12
Finance costs	25	698.07	493.44
Depreciation	5	204.49	186.31
Other expenses	26	2,367.67	1,802.48
<b>V. TOTAL EXPENSES</b>		<b>53,848.97</b>	<b>34,540.75</b>
<b>VI. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-V)</b>		671.22	266.96
<b>VII EXCEPTIONAL ITEMS</b>		-	-
<b>VIII PROFIT BEFORE TAX</b>		<b>671.22</b>	<b>266.96</b>
<b>IX. TAX EXPENSE:</b>			
<b>1. Current tax</b>		112.04	41.65
<b>2. MAT Credit Entitlement</b>		(112.04)	(25.24)
<b>X PROFIT AFTER TAX</b>		<b>671.22</b>	<b>250.55</b>
<b>XI OTHER COMPREHENSIVE INCOME</b>			
<b>A</b> Items that will not be reclassified to profit or loss		-	-
<b>B</b> Items that will be reclassified to profit or loss		-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>		-	-
<b>XII Total Comprehensive Income for the year (X+XI)</b>		<b>671.22</b>	<b>250.55</b>
<b>XIII Earning Per Equity Share</b>			
(a) Basic		3.36	1.25
(b) Diluted		3.36	1.25
Summary of significant accounting policies	1 to 4		
See accompanying notes to the standalone financial statements	27 to 42		

As per our report of even date attached  
For Luharuka & Associates  
Chartered Accountants,

For and on behalf of the BOD of  
Bhagyanagar Copper Private Limited

**Rameshchand Jain**  
Partner  
M. No. 023019

**Narender Surana**  
Director  
DIN: 00075086

**Devendra Surana**  
Director  
DIN: 00077296

Place: Secunderabad,  
Date : 27.05.2022

**Surendra Bhutoria**  
Chief Financial Officer

**Srinivas Dudam**  
Company Secretary  
M.No. A23425

## Statement of Changes in Equity for the Year ended 31<sup>st</sup> March 2022

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

### A. Equity Share capital

Particulars	No of shares	Amount
<b>Balance as at 1 April 2021</b>	<b>20,000,000</b>	<b>2,000</b>
Changes in equity share capital during 2021 - 22	-	-
<b>Balance as at 31 March 2022</b>	<b>20,000,000</b>	<b>2,000</b>
<b>Previous year Reporting period</b>		
<b>Balance as at 1 April 2020</b>	<b>20,000,000</b>	<b>2,000</b>
Changes in equity share capital during 2020-21	-	-
<b>Balance as at 31 March 2021</b>	<b>20,000,000</b>	<b>2,000</b>

### B. Other equity

PARTICULARS	Reserves and Surplus		Total
	Retained Earnings	Capital Reserve	
<b>Balance as at 1 April 2021</b>	<b>(272.44)</b>	<b>486.64</b>	<b>214.20</b>
Profit for the year	671.22	-	671.22
Other Comprehensive Income (net of tax)	-	-	-
<b>Total Comprehensive Income for the year 2021-22 (B)</b>	<b>671.22</b>	<b>486.64</b>	<b>671.22</b>
<b>Balance at 31 March 2022 C= (A+B)</b>	<b>398.78</b>	<b>973.29</b>	<b>885.42</b>
<b>Previous year Reporting period</b>			
Balance at 1 April 2020 (D)	(522.99)	486.64	(36.34)
Profit for the year	250.55	-	250.55
Other Comprehensive Income (net of tax)	-	-	-
<b>Reserve created during the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year 2020-21 (E)</b>	<b>250.55</b>	<b>-</b>	<b>250.55</b>
<b>Balance at 31 March 2021 F=(D+E)</b>	<b>(272.44)</b>	<b>486.64</b>	<b>214.20</b>

See accompanying notes form an Integral part of the financial statements.

As per our report of even date attached

**For Luharuka & Associates**

Chartered Accountants,

**For and on behalf of the BOD of  
Bhagyanagar Copper Private Limited**

**Rameshchand Jain**

Partner

M. No. 023019

**Narender Surana**

Director

DIN: 00075086

**Devendra Surana**

Director

DIN: 00077296

Place: Secunderabad,

Date : 27.05.2022

**Surendra Bhutoria**

Chief Financial Officer

**Srinivas Dudam**

Company Secretary

M.No. A23425

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

PARTICULARS	For the Year 2021-22	For the Year 2020-21
<b>A Cash flow from Operating Activities</b>		
Net profit before tax as per annexed Profit and loss account	671.22	266.96
Add: Adjustments for:		
Depreciation & Amortisation	204.49	186.31
Interest Paid	698.07	493.44
Sundry Balance Written Back	5.70	-
<b>Operating profit before working Capital Changes</b>	<b>1,579.48</b>	<b>946.71</b>
Other Non Current Financial Assets	(5.95)	(11.54)
Other current assets	(421.34)	(1,829.59)
Inventory	(677.18)	(118.89)
Trade receivables	696.73	(2,621.06)
Trade Payables	(353.51)	613.71
Other Current Liabilities	358.36	81.25
Provisions	25.71	-
<b>Cash generated from Operations</b>	<b>1,202.30</b>	<b>(2,939.41)</b>
Income Tax Paid (including Prior Period)	(136.64)	-
<b>Net cash (used in)/from Operating Activities(A)</b>	<b>(136.64)</b>	<b>(41.65)</b>
<b>B Cash flow from Investing Activities</b>		
Purchase of Fixed Assets & Other Capital Expenditure	(146.92)	(431.67)
<b>Net Cash (used in)/from Investing Activities (B)</b>	<b>(146.92)</b>	<b>(431.67)</b>
<b>C Cash flow from Financing Activities</b>		
Interest Paid	(698.07)	<b>(493.44)</b>
Increase (Decrease) in Unsecured Loans	(2,165.55)	2,053.60
Borrowings	2,843.97	2,004.47
(Increase)/Decrease in restricted deposits	6.08	(150.96)
<b>Net Cash (used in)/from Financing Activities (C)</b>	<b>(13.57)</b>	<b>3,413.66</b>
<b>Net Increase / Decrease in cash and Cash Equivalents (A+B+C)</b>	<b>905.17</b>	<b>0.94</b>
Cash and Cash Equivalents Opening Balance	4.32	3.39
Cash and Cash Equivalents Closing Balance	909.50	4.32
<b>Change in Cash and Cash Equivalents</b>	<b>905.17</b>	<b>0.94</b>

As per our report of even date attached  
For Luharuka & Associates  
Chartered Accountants,

For and on behalf of the BOD of  
Bhagyanagar Copper Private Limited

**Rameshchand Jain**  
Partner  
M. No. 023019

**Narender Surana**  
Director  
DIN: 00075086

**Devendra Surana**  
Director  
DIN: 00077296

Place: Secunderabad,  
Date : 27.05.2022

**Surendra Bhutoria**  
Chief Financial Officer

**Srinivas Dudam**  
Company Secretary  
M.No. A23425

## SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

### 1. Corporate Information

Bhagyanagar Copper Pvt Ltd ("the company") is a Company registered under the companies act, 1956. It was incorporated on 30-04-2008. Bhagyanagar India Limited on 6<sup>th</sup> February 2018 acquired 100% shareholding of the company. It proposes to engage in the manufacture of copper products. The company's CIN is U40106MH2008PTC181786. It is the subsidiary company of Bhagyanagar India Limited, which is listed on the stock exchange.

#### Significant accounting policies and key accounts, estimates and judgments:

### 2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2022. the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

### 3. Use of estimates and judgments:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

### 4. Significant Accounting Policies:

#### (a) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### Other income:

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

#### (b) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### (c) Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction

costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

**(d) Intangible Assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

**(e) Depreciation and amortization:**

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

**(f) Current versus non-current classification**

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

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

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

**(g) Financial assets**

Financial assets comprise of cash and cash equivalents.

**Initial recognition:**

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a 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 assets.

**Subsequent Measurement:**

- (i) Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

**Impairment of Financial Assets:**

Financial assets are tested for impairment based on the expected credit losses.

**De-recognition of Financial Assets:**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**(h) Impairment of Non-Financial Assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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.

**(i) Cash and Cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

**(j) Financial liabilities**

***Initial recognition and measurement:***

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

***Subsequent measurement:***

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest 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 as finance costs in the statement of profit and loss. This category generally applies to borrowings.

***De-recognition of financial liabilities:***

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

**(k) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective

asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

**(l) Employee Benefits**

Employee benefits are charged to the Statement of Profit and Loss for the year.

**Provident Fund**

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognised, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

**Gratuity**

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

**Compensated absences**

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

**Short-term employee benefits**

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

**(m) Income Taxes**

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

### Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

### Minimum Alternative Tax (MAT)

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

### (n) Leases

#### As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the

payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

#### Lease-hold land:\

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

### (o) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

#### 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 assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

### (p) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:





All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3— Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**(q) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**(r) Cash dividend to equity holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

### Note: 5 Property, Plant & Equipment

Following are the changes in the carrying value of Property, Plant and Equipment for the Period Ended 31<sup>st</sup> March 2022  
(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Particulars	Free hold land	Factory Building	Plant & Machinery	Electrical Installation	Plantation	Vehicles	Furniture and Fixtures	Computers	Grand Total
<b>A. Gross Block</b>									
At 1 <sup>st</sup> April, 2020	1,202.31	377.12	1,728.38	455.02	57.60	31.63	-	1.47	3,853.54
Additions	-	-	420.22	4.87	-	5.55	-	1.03	4,31.67
Disposals	-	-	-	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2021	1,202.31	377.12	2,148.60	459.89	57.60	37.19	-	2.50	4,285.21
Additions	-	-	135.33	-	-	5.59	6.00	-	146.92
Disposals	-	-	-	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2022	1,202.31	377.12	2,823.93	459.89	57.60	42.78	6.00	2.50	4,432.13
<b>B. Depreciation</b>									
At 1 <sup>st</sup> April, 2020	-	43.06	95.87	26.46	17.28	3.55	-	0.46	186.68
Charge for the Year	-	23.88	123.30	28.92	5.76	3.90	-	0.54	186.31
Disposals	-	-	-	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2021	-	66.95	219.18	55.38	23.04	7.45	-	1.00	372.99
Charge for the Year	-	23.88	140.34	29.13	5.76	4.57	0.02	0.80	204.49
Disposals	-	-	-	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2022	-	90.83	359.52	84.50	28.80	12.01	0.02	1.79	577.48
<b>C. Net Block (A-B)</b>									
At 31 <sup>st</sup> March, 2021	1,202.31	310.18	1,929.43	404.52	34.56	29.74	-	1.50	3,912.23
At 31 <sup>st</sup> March, 2022	1,202.31	286.29	1,924.41	375.39	28.80	30.76	5.98	0.70	3,854.66

Note: dep taken from 01.4.17 (Ind As) and no of years are considered as per valuation report

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

**Note: 6** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Loans	Sub Note	As at 31.03.2022	As at 31.03.2021
<b>Unsecured, Considered good.</b>			
(a) Security Deposits		47.49	41.51
<b>TOTAL</b>		<b>47.49</b>	<b>41.54</b>

**Note: 7** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Inventories (Valued at lower of Cost and Net Realisable Value)	Sub Note	As at 31.03.2022	As at 31.03.2021
<b>(As valued and certified by the Management)</b>			
Raw Materials		2,157.60	1,480.42
Material - in- Transit		-	-
<b>TOTAL</b>		<b>2,157.60</b>	<b>1,480.42</b>

**Note: 8** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Trade Receivables	Sub Note	As at 31.03.2022	As at 31.03.2021
Considered good - unsecured*			
Undisputed trade receivables considered good		2,445.88	3,142.61
Undisputed trade receivables - credit impaired		-	-
Less: Allowance for expected credit losses		-	-
<b>TOTAL</b>		<b>2,445.88</b>	<b>3,142.61</b>

### Trade receivables ageing schedule

As at 31.03.2022	Outstanding for following periods from due date of payment as on Balance sheet date					
Particulars	Less than 6 mnth	6 months to 1 year	1 to 2 years	2-3 Years	More than 3 years	Total
Undisputed trade receivables						
Considered good	2,431.07	11.04	3.76	-	-	2,445.88
Credit impaired		-	-	-	-	-
Less: Allowance for expected credit losses		-	-	-	-	-
<b>Balance as ar year end</b>	<b>2,431.07</b>	<b>11.04</b>	<b>3.76</b>	<b>-</b>	<b>-</b>	<b>2,445.88</b>

As at 31.03.2021	Outstanding for following periods from due date of payment as on Balance sheet date					
Particulars	Less than 6 mnth	6 months to 1 year	1 to 2 years	2-3 Years	More than 3 years	Total
Undisputed trade receivables						
Considered good	3,014.20	128.41	-	-	-	3,142.61
Credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit losses	-	-	-	-	-	-
<b>Balance as ar year end</b>	<b>3,014.20</b>	<b>128.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,142.61</b>

- There are no disputed trade receivables in the current and previous year.
- All the Trade Receivables are unsecured and considered good
- Trade receivables are generally with the credit term of 30 to 120 days and are non interest bearing.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

- d. The sales to and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions.
- e. The carrying amount of trade receivables is pledged as security for borrowing. (Refer Note 16(a))
- f. No Debts due by Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director or a member..

**Note: 9** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Cash and Cash Equivalents	Sub Note	As at 31.03.2022	As at 31.03.2021
<b>(As Certified by the Management)</b>			
(i) Cash on hand		1.25	1.77
(ii) Balances with Bank			
- In Foreign Currency account		908.24	2.55
<b>TOTAL</b>		<b>909.50</b>	<b>4.32</b>

**Note: 10** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Bank Balance other than Cash and Cash Equivalents	Sub Note	As at 31.03.2022	As at 31.03.2021
(i) Margin Money Deposit Against Buyers Credit (With original Maturity of 3 months or more)	10(a)	143.89	149.63
(ii) Accrued interest Fixed Deposit		2.98	3.33
<b>TOTAL</b>		<b>146.87</b>	<b>152.96</b>

### Notes: 10(a)

Margin Money Deposits with a carrying amount of ₹ 143.89 lacs (PY ₹ 149.63 lacs are subject to first charge to secure the company's borrowing.

**Note: 11** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Current Tax Assets(Net)	Sub Note	As at 31.03.2022	As at 31.03.2021
(a) Income tax Receivable		131.90	
Less: Provision for taxes		(112.04)	-
(b) MAT Credit Entitlement		137.29	2524
<b>TOTAL</b>		<b>157.14</b>	<b>25.24</b>

**Note: 12** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Current Asset	Sub Note	As at 31.03.2022	As at 31.03.2021
(a) Balances with Statutory Authorities	12(a)	1,369.32	1,639.37
(b) Advances To Suppliers		1,639.62	948.40
(c) Loan to staff		2.76	2.58
<b>TOTAL</b>		<b>3,011.70</b>	<b>2,590.36</b>

### Notes: 12(a)

The Balance with Statutory Authorities includes IGST Refund (paid on Exports) Receivable - ₹ 570.28/- .

No advances are due from directors or other officers of the company or any of them either severally or jointly with any other persons or advances due to firms or private companies respectively in which any director is a partner or a director or member

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

**Note: 13**

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Share Capital	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	Number	Amount	Number	Amount
<b>Authorised</b> 20,000,000 (March 31, 2021 : 20,000,000) Equity Shares of ₹10 each	2,00,00,000	2,000	2,00,00,000	2,000
<b>Issued, Subscribed and fully paid-up shares</b> 20,000,000 (March 31, 2021 : 20,000,000) Equity Shares of ₹10 each	2,00,00,000	2,000	2,00,00,000	2,000
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>2,00,00,000</b>	<b>2,000</b>	<b>2,00,00,000</b>	<b>2,000</b>

**a) Term/rights attached to Equity Shares:**

The company has only one class of issued equity shares having a par value of ₹ 10/- per share. Each shareholder 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..

**b) Reconciliation of Shares Outstanding:**

Particulars	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2,00,00,000	2,000	2,00,00,000	2,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,00,00,000	2,000	2,00,00,000	2,000

**c) Particulars of share holders holding more than 5% of issued share capital:**

Name of Shareholder	As at 31 <sup>st</sup> March 2022		As at 31 <sup>st</sup> March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bhagyanagar India Limited	2,00,00,000	100	2,00,00,000	100
<b>TOTAL</b>	<b>2,00,00,000</b>	<b>100</b>	<b>2,00,00,000</b>	<b>100</b>

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**d) shares Held by promoters at the end of the year**

Promoter Name	As at March 2022			As at March 2021		
	No. of shares Held	% of Holding of total shares	% change during the year	No of shares	% of holding of total shares	% Change during the year
BHAGYANAGAR INDIA LIMITED	1,99,99,900	100	-	1,99,99,900	100	-
Devendra Surana	100	0	-	100	-	-

\*100 Shares of Devendra surana - Beneficial interest held by Bhagyanagar India Limited

The shareholding information has been extracted from the records of the Company including register of shareholders/members and is based on legal ownership of shares.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

### Note: 14

Other equity	Reserves and Surplus		Total
	Retained Earnings	Capital reserve	
Balance at 1 April 2021 (A)	(272.44)	486.64	214.20
Profit for the year	671.22	-	671.22
Other Comprehensive Income (net of tax)	-	-	-
<b>Total Comprehensive Income for the year 2021-22 (B)</b>	<b>671.22</b>	<b>-</b>	<b>671.22</b>
<b>Balance at 31 March 2022 C=(A+B)</b>	<b>398.78</b>	<b>486.64</b>	<b>885.42</b>
<b>Balance at 1 April 2020 (D)</b>	<b>(522.99)</b>	<b>486.64</b>	<b>(36.34)</b>
Profit for the year	250.55	-	250.55
Other Comprehensive Income (net of tax)	-	-	-
<b>Total Comprehensive Income for the Year 2020-21 (E)</b>	<b>250.55</b>	<b>-</b>	<b>250.55</b>
<b>Balance at 31 March 2021 F=(D+E)</b>	<b>(272.44)</b>	<b>486.64</b>	<b>214.20</b>

#### Retained earnings

Retained earnings comprises of prior year's undistributed earnings after taxes along with current year profit.

#### Capital Reserve :

Capital Reserve is created from specific transactions of Capital in Nature and the same is not available for distribution to the shareholders.

### Note: 15

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Non-Current - Borrowings	Sub Note	As at 31.03.2022	As at 31.03.2021
<b>Secured (Loan from banks)</b>			
(a) Term Loan - HDFC Bank	15 (a)	859.67	1,145.45
(b) Guaranteed Emergency Credit Line - HDFC Bank	15 (b)	875.05	372.00
		<b>1,734.72</b>	<b>1,517.45</b>
<b>Less: Current maturities of long term borrowings</b>		425.37	319.71
		<b>1,309.35</b>	<b>1,197.74</b>
<b>Unsecured (Loan from related parties)</b>			
(a) Loan from holding Company	15(c)	1,041.53	2,912.60
(b) Loan from Directors	15(d)	186.71	593.49
(c) Loan from Associate Companies	15(e)	1,113.02	1,000.72
		<b>2,341.26</b>	<b>4,506.81</b>
<b>TOTAL</b>		<b>3,650.61</b>	<b>5,704.55</b>

#### Notes: 15(a)

##### Term loan - HDFC Bank

The term loan sanctioned by Kotak bank was taken over by HDFC Bank in April,2020 - ₹ 1461 lacs. The loan is secured by personal guarantee of Directors, Corporate Guarantee of Holding Company and an Exclusive charge on entire Current Assets and Fixed Assets of the Company .It is also Secured by certain Fixed assets of the Holding Company.The Principal is repayable in 57 Monthly Instalments ending in November,2024 at interest rate which fluctuates based on market rate. The Principal repayable during FY 2022-23 amounting to ₹ 308.24 lacs- is classified under Current Maturities of Long Term Debt-Note:16

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

### Notes: 15(b)

#### Guaranteed Emergency Credit Line(GECL-WCTL) - HDFC Bank

Guaranteed Emergency Credit Line (GECL) of ₹ 372 lacs is sanctioned by HDFC Bank by way of Working Capital Term Loan(WCTL) in the month of November,2020.There is a Principal Moratorium of 12 Months and the Principal repayment starts in the Month of December,2021 at an interest rate which fluctuates based on market rate.The Principal repayable during FY 2022-23 amounting to ₹ 117.12 lacs is classified under Current Maturities of Long Term Debt-Note:16.

Guaranteed Emergency Credit Line (GECL) Extension of ₹ 540 lacs is sanctioned by HDFC Bank by way of Working Capital Term Loan(WCTL) in the month of January,2022.There is a Principal Moratorium of 24 Months and the Principal repayment starts in the Month of January, 2024. The Loan is repayable in 36 equal Monthly instalments starting from January, 2024 at an interest rate which fluctuates based on market rate.

#### Notes: Loan from Holding Company

15(c) Name of the company	Balance as On 31.03.2022	Balance as on 31.03.2021
Bhagyanagar India Limited	1,041.53	2,912.60
<b>TOTAL</b>	<b>1,041.53</b>	<b>2,912.60</b>

#### Notes: Loan from Director

15(d) Name of the company	Balance as On 31.03.2022	Balance as on 31.03.2021
Devendra Surana	186.71	593.49
<b>TOTAL</b>	<b>186.71</b>	<b>593.49</b>

#### Notes: Loan from Associate Companies

15(e) Name of the company	Balance as On 31.03.2022	Balance as on 31.03.2021
Surana Infocom Pvt Ltd	-	332.75
Surana Telecom and power Ltd	1,113.02	667.97
<b>TOTAL</b>	<b>1,113.02</b>	<b>1,000.72</b>

\*Unsecured Loan carries rate of Interest @ 10% p.a

\*There is no specific repayment schedule of unsecured Loan taken

### Note: 16 (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Current Borrowings	Sub Note	As at 31.03.2022	As at 31.03.2021
<b>Secured</b>			
Cash Credit		209.02	544.42
Export Packaging Credit	16(a)	2,488.77	1,381.09
Buyers Credit		907.67	253.25
Working Capital Demand Loan ICICI Bank		1,200.00	-
<b>Current Maturities on Long Term Debt</b>			
(a) Term Loan - HDFC Bank	15(a)	308.25	282.76
(b) Guaranteed Emergency Credit Line - HDFC Bank	15(b)	117.12	36.95
<b>TOTAL</b>		<b>5,230.83</b>	<b>2,498.47</b>

#### Note: 16(a)

Entire Working Capital Facilities are secured by personal guarantee of Directors,Corporate Guarantee of Holding Company and an Exclusive charge on entire Current Assets and Fixed Assets of the Company .It is also Secured by certain Fixed assets of the Holding Company. It is repayable on demand with the interest which fluctuates based on the market rate.

The Company has taken loans against security of current assets and quarterly returns or statements of current assets filed by the Company with bank are in agreement with the books of accounts. current assets filed by the Company with bank are in agreement with the books of accounts.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

**Note: 17** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Trade Payables	Sub Note	As at 31.03.2022	As at 31.03.2021
<b>Unsecured</b>			
For Goods & Services			
- Total Outstanding dues of Micro and Small Enterprises		-	-
- Total Outstanding dues of Creditors Other than Micro and Small Enterprises		207.03	420.22
Outstanding dues to related parties	<b>17(a)</b>	282.99	417.61
<b>TOTAL</b>		<b>490.02</b>	<b>837.83</b>

### Trade payable ageing schedule

As at March 31, 2022

Outstanding for following periods from due date of payment

Undisputed Outstanding Dues	Less than 1 Year	1-2Year	2-3 Year	More than 3 Years	Total
- Total Outstanding dues of Micro and small Enterprises	-	-	-	-	-
- Total Outstanding dues of creditors Other than Micro and small Enterprises	438.22	45.98	5.81	-	490.02

As at March 31, 2021

Outstanding for following periods from due date of payment

Undisputed Outstanding Dues	Less than 1 Year	1-2Year	2-3 Year	More than 3 Years	Total
- Total Outstanding dues of Micro and small Enterprises					-
- Total Outstanding dues of creditors Other than Micro and small Enterprises	837.83	-	-	-	837.83

a. All the Trade payable are Unsecured

b. There are no disputed trade payables in the current and previous year.

**c. Terms and conditions of the above financial liabilities:**

Trade payables are non-interest bearing and are normally settled on 30-120 days term.

For explanations on the Company's Credit risk management processes, refer to note 38.

c. No Debts due to Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member except as mentioned below

Notes 17(a) (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Payable to Related Party	Sub Note	Balance as on 31.03.2022	Balance as on 31.03.2021
<b>Name of the company</b>			
Surana Solar Limited		282.99	417.61
<b>TOTAL</b>		<b>282.99</b>	<b>417.61</b>

**Note: 18** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Current Tax Liabilities (Net)	Sub Note	As at 31.03.2022	As at 31.03.2021
Provision for Taxes (net of TDS and Advance tax)		-	4.73
<b>TOTAL</b>		<b>-</b>	<b>4.73</b>



## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

Notes: 18(a)

Note: 19 (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Current Liabilities	Sub Note	As at 31.03.2022	As at 31.03.2021
(a) Statutory Dues Payable		13.92	17.90
		404.74	42.40
<b>TOTAL</b>		<b>418.66</b>	<b>60.30</b>

Note: 20 (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Short Term Provisions	Sub Note	As at 31.03.2022	As at 31.03.2021
(a) Bonus Payable		4.00	4.00
(b) Liability For Expense		51.29	25.59
<b>TOTAL</b>		<b>55.29</b>	<b>29.59</b>

Note: 21 (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Revenue from Operations	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
(a) Sale of Products			
Copper Products - Domestic		23,049.88	29,083.71
Copper Products - Export		37,314.68	11,596.12
<b>GROSS SALES</b>		<b>60,364.56</b>	<b>40,679.83</b>
Less: GST		5,857.12	5,876.05
<b>NET SALES</b>		<b>54,507.44</b>	<b>34,803.78</b>
<b>TOTAL</b>		<b>54,507.44</b>	<b>34,803.78</b>

Note: 22 (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other Income	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
(a) Interest on Fixed Deposits		7.02	3.93
(b) Sundry Balances Written Back		5.70	-
<b>TOTAL</b>		<b>12.71</b>	<b>3.93</b>

Note: 23 (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Cost of Raw Materials and Components Consumed	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
Opening Stock Raw Materials		1,480.42	1,361.53
Add:Purchases (Net of GST)		50,925.98	31,885.29
Less:Closing Stock Raw Materials		2,157.60	1,480.42
<b>TOTAL</b>		<b>50,248.81</b>	<b>31,766.40</b>

Note: 24 (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Employee Benefits Expense	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
(a) Salaries, Wages and Other Employee Benefits		305.04	272.44
(b) Contribution To Provident And Other Funds		24.86	19.67
<b>TOTAL</b>		<b>329.90</b>	<b>292.12</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

**Note: 25** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Finance costs	Sub Note	For the Year 31.03.2021	For the Year 31.03.2020
(a) Interest Expense			
- Cash Credit & Others		206.60	51.52
- On Unsecured Loan		346.17	301.72
(b) Other Borrowing Costs			
- Long Term Loan -HDFC Bank		78.31	119.38
- General Emergency Credit Line - HDFC Bank		34.57	-
(c) Financial Charges		32.40	20.82
<b>TOTAL</b>		<b>698.07</b>	<b>493.44</b>

**Note: 26** (All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Other expenses	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
Consumption Of Stores And Spare Parts		243.67	368.43
Processing and conversion charges		174.81	2.04
Power And Fuel		1,169.89	757.83
Repairs			
- Buildings		43.86	53.64
- Machinery		300.99	287.55
- Others		23.87	13.38
CSR Expense		6.26	-
Insurance		10.92	11.34
Rates And Taxes		5.62	3.67
Packing And Forwarding		167.81	153.83
Other Miscellaneous Expenses		218.97	150.01
Payments To The Auditor for Statutory Audit		1.00	0.75
<b>TOTAL</b>		<b>2,367.67</b>	<b>1,802.48</b>

Other expenses	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
Rent		8.22	8.22
Post.Tel & Telephone		4.52	3.78
Legal & Licence Fees		7.79	3.62
Advertisement And Sales Promotion		14.74	13.54
Professional Charges		16.13	7.55
Travelling & Conveyance		15.55	6.31
Sundry Balances Written Off		1.20	2.75
Office Maintenance		1.54	8.76
Testing Charges		0.28	1.94
Watch & Ward		85.29	72.03
Membership & Subscription		8.21	2.06
Other.Expenses		1.23	0.86
Printing & Stationery		1.20	1.24
Filing Fees		0.38	0.30
Donation		0.28	0.10
Commission On Sales/Purchases		52.40	16.96
Water Charges		0.04	-
<b>TOTAL</b>		<b>218.97</b>	<b>150.01</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

### 27. Related party transactions

#### a. List of Related Parties:

##### i. Holding Company : Bhagyanagar India Limited

**Key Managerial Personnel :** (i) Narender Surana (ii) Devendra Surana

(iii) Rakesh Kumar Agarwal (Whole Time Director)

(iv) Surendra Bhutoria (CFO)

##### ii. Enterprises owned or significantly influenced by key management personnel or their relatives :

(i) Surana Telecom and Power Limited

(ii) Surana Solar Limited

(iii) Surana Infocom Private Limited.

(iv) Tejas India Solar Energy Private Limited

(v) Surana Infotech Private Limited

#### A. List of Transaction Occured during the year are as follows

Figure In Lacs

Related Party	Nature of transaction	2021-22	2020-21
Tejas India Solar Energy Private	Purchase of solar Modules	15.68	109.61
Surana solar Limited	Purchase of copper	1235.14	413.0
Surana solar Limited	Sale of Aluminum Scarp	0.54	-
Bhagyanagar India Limited	Purchase of copper	1045.40	4421.58
Bhagyanagar India Limited	Job work paid	135.621	-
Bhagyanagar India Limited	Sale of Coper	3670.06	2700.13
Bhagyanagar India Limited	Job work charges received	1283.63	339.33
Bhagyanagar India Limited	Interest Expense	201.12	231.79
Surana Telcom & Power Limited	Interest Expense	112.93	25.64
Surana Infocom Private Limited	Interest Expense	7.40	43.07
Devendra Surana	Interest Expense	24.71	16.24
Rakesh Agarwal	Remuneration-WTD	26.45	18.60

#### B. List of Transaction Occurred during the year are as followa:

Balance Outstanding	Nature of transaction	2021-22	2020-21
Surana Solar Limited	Trade Payable	282.99	417.60

#### c. Details of Loan given and recovered with the related parties during the year

Related Party	Nature of transaction	2021-22	2020-21
<b>BHAGYANAGAR INDIA LIMITED</b>	Opening Balance	2912.60	1349.01
	Loan given during the year (net of amount received back)	Nil	1563.58
	Repaid during the year	1871.07	Nil
	<b>Balance at the end of the Year (cr)*</b>	1041.53	2912.60
<b>Devendra Surana</b>	Opening Balance	593.49	-
	Loan taken	528.91	593.49
	Repaid during the year	935.69	-
	<b>Closing Balance*</b>	186.71	593.49
<b>Surana Telecom &amp; Power Limited</b>	Opening Balance	667.97	721.26
	Loan taken	2522.13	690.29
	Repaid during the year	2077.10	743.58-
	<b>Closing Balance*</b>	1113.01	667.97

Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

Related Party	Nature of transaction	2021-22	2020-21
Surana Infocom Private Limited	Opening Balance	332.60	382.78
	Loan taken	335.66	267.4
	Repaid during the year	668.26	317.58
	<b>Closing Balance*</b>	-	332.60

(\*) There are multiple transactions with the party. The amount represents net balance of multiple transactions during the year.

## 28. Disclosure required under Section 186(4) of the Companies Act 2013

**Disclosure** pursuant to Securities Exchange Board Of India (Listing Obligation and Disclosure Requirement and Regulation 2015) and Section 186 of the Companies Act 2013 is disclosed in note no: 28.

29. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet

30. The Company is primarily proposes to engage in the manufacture of copper products which as per Indian Accounting Standard – 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment

## 31. Earnings Per Share (EPS)

(Amount Lacs (INR))

Particulars	2021-22	2020-21
Net Profit after Tax	671.21	250.55
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	671.21	250.55
Weighted Average No. Of Equity Shares For Basic EPS (No.)	2,00,00,000	2,00,00,000
Weighted Average No. Of Equity Shares For Diluted EPS (No.)	2,00,00,000	2,00,00,000
Nominal Value of Equity Shares	2000.00	2000.00
Basic Earnings Per Equity Share	3.36	1.25
Diluted Earnings Per Equity Share	3.36	1.25

## 32. Contingent Liabilities and Commitments (to the extent not provided for)

(Amount Lacs (INR))

Particulars	As at 31-03-2022	As at 31-03-2021
Contingent Liabilities – Electricity Demand	154.65	154.65

Note:TSSPDCL has raised a demand of ₹ 154.65Lacs for previous years when the company was not under the control of current management. The demand is being countered and has been stayed by the Honorable High Court of Telangana

## 33. Sales During the year :

Sl. No.	Particulars	2021-22		2020-21	
		Qty(MTs)	Amount(Rs. in Lacs)	Qty(MTs)	Amount(Rs. in Lacs)
i	Copper	7345.886	55708.36	6776.705	38913.26
ii	By-Products	-	3458.33	-	1377.27
iii	Job Work Charges	-	1197.88	-	389.29
	<b>TOTAL</b>	7345.886	60364.56	6776.705	<b>40679.83</b>

## 34. Raw material consumed during the year:

(Amount Lacs (INR))

Sl.No.	Particulars	2020-21	2019-20
I	Copper	48886.60	31508.61
li	Others	1362.21	257.80
	<b>TOTAL</b>	<b>50248.81</b>	<b>31766.40</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

### 35. Details of imported and indigenous raw materials, spares and packing materials consumed: (Amount in ₹)

Particulars	2021-22		2020-21	
	Value	% of Total Consumption	Value	% of Total Consumption
Raw materials & Components				
(a) Imported	43519.12	86.60	16355.34	51.49
(b) Indigenous	6729.68	13.40	15411.06	48.51
<b>TOTAL</b>	<b>50248.81</b>	<b>100</b>	<b>31766.40</b>	<b>100</b>
Stores & Spare Parts (including consumed for repair)				
(a) Imported	286.97	21.07	11.00	4.27
(b) Indigenous	1075.24	78.93	246.80	95.73
<b>TOTAL</b>	<b>1362.21</b>	<b>100</b>	<b>257.80</b>	<b>100</b>

### 36. CIF Value of Imports (Amount in ₹)

Particulars	2021-22	2020-21
Raw material / Traded Goods	43519.12	16355.34
Stores & Spares	286.97	11.00
<b>TOTAL</b>	<b>43806.10</b>	<b>16366.34</b>

### 37. Trade receivables:

The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.
- actual or expected significant changes in the operating results of the borrower
- significant changes in the expected performance and behavior of the borrower, including changes in the payment status of borrowers in the Company and changes in the operating results of the borrower

Based on the above analysis, the Company does not expect any credit risk from its trade receivables for any of the years reported in this financial statements expect for the amounts disclosed as credit impaired in the below table.

### 38. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

#### A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real-estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument 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 long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

### B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including security deposits, loans to employees and other financial instruments.

#### Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2022 and 2021 is the carrying amounts.

### C. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount in ₹)

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
<b>31-Mar-21</b>	-	<b>5230.83</b>	<b>3650.61</b>	-	<b>8881.44</b>
<b>Borrowings</b>					
<b>31-Mar-21</b>	-	2498.49	5704.53	-	8203.01
<b>Borrowings</b>					

### 39. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Amount in ₹)

Particulars	31-Mar-22	31-Mar-21
Borrowings (Long term and Short term including Current maturity of Long term Borrowings)	7839.91	5290.42
Note 15 and 16 (excluding borrowing from Holding Company of ₹ 1041.53; PY – ₹ 2912.60)		
Other Payable (current and non-current, excluding current maturity of long term borrowings)	963.97	932.45
Note 17,18,19 and 20		
Less: Cash and Cash Equivalents	1056.37	157.28
<b>Net Debt (A)</b>	<b>7747.51</b>	<b>6065.59</b>
Equity Share capital	2000.00	2000.00
Other Equity	885.42	214.21
<b>Quasi Equity (Loan from Holding Company)</b>	<b>1041.53</b>	<b>2912.60</b>
<b>Total Capital (B)</b>	<b>3926.95</b>	<b>5126.81</b>
<b>Capital and Net debt (A+B)</b>	<b>11674.46</b>	<b>11192.40</b>
<b>Gearing ratio (in %)</b>	<b>66.36</b>	<b>54.19</b>

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

### 40. Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31 , 2022	March 31 , 2021	% Changes	Reason for
Current Ratio	Current Assets	Current Liabilities	1.43	2.16	(33.79)	Note(a)
Debt-Equity Ratio	Long Term Debt	Shareholder's Equity+Quasi Equity.	0.33	0.23	43.47	Note(b)
Debt Service Coverage Ratio	Earning for debt service = Net profit before taxes + non-cash operating expenses + Finance Costs	Debt service = Interest & lease payments + Principal repayments	1.40	1.16	20.32	-
Return on Equity ratio(%)	Net profit after taxes	shareholder's equity+Quasi Equity.	17.09	4.89	249.98	Note(c)
Inventory Turnover Cycle(No.of days)	Cost of goods sold or sales	Average inventory	14	16	(12.5)	-
Trade receivables turnover Cycle(No.of days )	Trade Receivables	Gross Sales	15	28	(46.42)	Note(d)
Trade payables turnover Cycle(No.of days )	Trade Payables	Net Purchases	4	10	(60.00)	Note(e)
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working Capital = Current assets - Current liabilities	20.69	8.78	135.64	Note(f)
Net Profit Ratio(%)	Net profit after taxes	Net Sales = Total sales - Sales return	1.23	0.72	70.83	Note(g)
Return on capital employed(%)	Earnings before interest, Depreciation and taxes	Capital employed = Tangible Net Worth + Long Term Debt	20.77	8.74	137.64	Note(h)

#### Notes:

- Change in the ratio is due to increase in Borrowings and Current Liabilities of the company as the operations have scaled up.
- Change in the ratio is due to increase in Borrowings due to scaling up of operations
- Change in the ratio is due to increase in net profit because of revenue growth.
- Change in the ratio is due to increase in net profit because of revenue growth.
- Change in the ratio is due to increase in Turnover and decrease in Working Capital.
- Change in the ratio is due to increase in business operation
- Change in the ratio is due to increase in EBIT because of revenue growth.
- Change in the ratio is due to revenue growth along with higher efficiency on working capital borrowings.

## Notes to the financial statements for the year ended 31<sup>st</sup> March, 2022

### 41. Other Statutory Information

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- d) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities
  - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- e) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- f) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- g) The Company does not have any transactions with companies struck off.
- h) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

### 42. Previous year's figures have been regrouped and rearranged, wherever found necessary.

#### As per our report of even date attached

#### For Luharuka & Associates

Chartered Accountants,

#### Rameshchand Jain

Partner

M. No. 023019

Firm Reg No.01882S

Place: Secunderabad,

Date : May 27, 2022

#### For and on behalf of the BOD of Bhagyanagar Copper Private Limited

#### Narender Surana

Director

DIN: 00075086

#### Surendra Bhutoria

Chief Financial Officer

#### Devendra Surana

Director

DIN: 00077296

#### Srinivas Dudam

Company Secretary

M.No. A23425









# OUR VALUES

## Quality

We have established our brand as a quality manufacturer over the last 30 years. Total Quality Management (TQM) is integral to our operations and helps optimize our end to end process in response to feedback from customers, suppliers and other stakeholders.

## Cost

We take pride in being one of the most cost efficient manufacturers of copper products in the global market. Our streamlined processes and engineering ensure cost efficiency and enable us to price our products at very competitive rates.

## Delivery

Our state of the art manufacturing facility and experienced personnel ensure the lead time for orders is short and our customers receive orders on time.

## Service

Customer satisfaction is paramount at our company. Our design, development and engineering are eager to meet the diverse needs of the electrical and auto industry.



If undelivered please return to:  
**Secretarial Department**

## **BHAGYANAGAR INDIA LIMITED**

Registered Office :

Plot No. P-9/13/1 & P-9/14, IDA, Nacharam,  
Hyderabad- 500 076, Telangana, INDIA  
Tel: +9140 27152861, 27175891, 27151278  
Fax: +9140 27172140

CIN: L27201TG1985PLC012449

E-mail : [surana@surana.com](mailto:surana@surana.com)

Investor Complaints: [cs@surana.com](mailto:cs@surana.com), [investorservices\\_bil@surana.com](mailto:investorservices_bil@surana.com)

Website : [www.surana.com](http://www.surana.com), [www.bhagyanagarindia.com](http://www.bhagyanagarindia.com)